Daily Report

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FBIS-LAT-89-036 *24 February 1989*

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PRINTING ERROR IN 21 FEBRUARY LATIN AMERICA DAILY REPORT: Pages 38-40 of the 21 February Latin America DAILY REPORT were printed incorrectly, corrupting the Panama and Argentina sections. We are reprinting the Panama section in its entirety and providing the missing portion of the Argentina Section.

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Cuba

Matanzas Brigade General, Police Dismissed

PA2302200189 Madrid EFE in Spanish 2053 GMT 22 Feb 89

[Text] Havana, 22 Feb (EFE)—The Cuban Government has dismissed an Interior Ministry general, five policemen, and a cultural affairs official following an investigation into a violent protest at a cultural event at the end of last year which was organized by people considered to be supporters of the revolution.

The government has dismissed Brigade General Romelio Perez, Interior Ministry chief in Matanzas, and five policemen who, after an incident during a cultural event in Matanzas, arrested several people attending the event, unofficial sources reported today.

Jose Ramon Guzman, the Matanzas provincial director of cultural affairs, was also dismissed. Poet Oscar Jorge Marrero was expelled from the National Union of Cuban Writers and Artists (UNEAC) after an investigation by Cuban authorities into this case.

According to the sources, all the people punished were considered responsible to some extent for the incidents that took place on 19 December 1988 during a ceremony to commemorate the birth of poet Jose Lezama Lima.

Young intellectuals, students, and Cuban poets attending the event were listening to the reading of some poems when they were insulted by a group of unknown people.

The unidentified men interrupted the reading of poems shouting: "This is against the revolution." Violent confrontations ensued and several people were injured.

The police arrived quickly and arrested many of those attending the event, but not those who had interrupted the ceremony; this is why the five policemen were punished, according to the sources. So far there has been no official confirmation of the incident.

The dismissal of Gen Perez and his retirement occurred because he was the highest police authority in the province and because of the improper conduct of his subordinates during the arrest.

These incidents and the subsequent transfer of several of the arrested people to the Matanzas garrison were protested to UNEAC, which in turn reported the incident to the Culture Ministry, whose minister is Armando Hart Davalos, member of the PCC Central Committee Politburo.

News of the incident, which affected people considered closely linked to the revolution, reached Cuban cultural circles and President Fidel Castro.

The government's decision to dismiss the government officials has not yet been publicized, although it has spread quickly in political circles and at UNEAC, which is headed by former Culture Minister Abel Prieto.

UNEAC sources reported that some Cuban intellectuals occasionally clash with more conservative mid-level government officials who do not understand the government's new cultural instructions to promote openings within the revolution itself.

Commission on Southwest Africa Meets in Luanda

FL2402000189 Havana Radio Reloj Network in Spanish 2332 GMT 23 Feb 89

[Text] The joint commission to supervise the agreements for southwest Africa began its sessions today in Luanda. It is being attended by representatives of Angola, Cuba, and South Africa, and by the USSR and the United States as observers.

The commission was formed in accordance with the Brazzaville protocol that was signed last December. Its goal is to (?facilitate) the regulation of any disputes relating to the interpretation and implementation of the tripartite agreements.

The Angolan delegation is led by General Antonio Dos Santos, first vice minister of defense and chief of the General Staff; the Cuban delegation is headed by Carlos Aldana Escalante, secretary of the PCC Central Committee. South Africa will be represented by Neil Van Heerden, director general of the Foreign Ministry, who will be responsible for the commitments made by his country regarding the independence of Namibia and the security of Angola.

Government Willing To Hold Talks With U.S.

FL2302132389 Havana Radio Progreso Network in Spanish 1200 GMT 23 Feb 89

[Text] Cuban Vice President Jose Ramon Fernandez has said in Tokyo that Cuba is willing to hold unconditional talks with everyone, including the United States. Fernandez made these remarks during a meeting held yesterday with Japanese Foreign Minister Sosuke Uno.

The Cuban leader is in Tokyo at the head of the Cuban delegation that will attend today 's funeral for Emperor Hirohito.

U.S. Lawyers Group Supports Human Rights Stand

FL2302155589 Havana Radio Reloj Network in Spanish 1503 GMT 23 Feb 89

[Text] The American Association of Jurists has said in Geneva that in Cuba there is complete and strict respect for human rights. A declaration presented at the 45th session of the UN Human Rights Commission says that

human rights, which are commonly observed in Cuba, are a symbol of hope to many other nations whose governments do not guarantee the protection of health, education, and housing.

According to the document, over 1,100 lawyers present to give a seminar on work laws and social security personally confirmed in January of this year that human rights are respected in Cuba.

The evidence presented in the declaration refers to the attention given to children, maternity, families, marriage, and free health care, which is given to everyone without exception.

Santiago Paper Carries Interview With Castro

PY2302182889 Santiago COSAS in Spanish
16 Feb 89 pp 76, 77

[Interview with President Fidel Castro by COSAS journalist Andre Jouffe on 4 February at the Caracas Hilton in Caracas, Venezuela]

[Text] [Jouffe] Well, Commander, they say that you collect women....

[Castro] How can I collect women? It would be impossible, because women would have to be shared by many collectors. It has been said that I have a number of girlfriends...beginning with Gina Lollobrigida.

[Jouffe] But you cannot deny that you collect watches, beginning with the one that Gina Lollobrigida gave you...

[Castro] You invent so many things. You are specialists in the creation of myths.

[Jouffe] You have said that Christian principles are observed in Cuba.

[Castro] Look, a lot has already been said about my education under the Jesuits, and I gave my viewpoints in the book written by Friar Beto. I reiterate, however, that I feel great respect for religion. There may have been conflicts with the church, but weren't there conflicts during the French Revolution, the Spanish civil war, and in the life of Simon Bolivar? I can assure you that no priest, no matter how intimately connected with the oligarchy, was executed in Cuba. In Cuba we teach not to kill, not to steal, not to desire the women of one's fellow men... Those are Christian principles.

[Jouffe] You skipped the verb to fornicate.

[Castro] Well, that depends on the partner... (Castro smiles) It is not forbidden in Cuba. Look, do you know who were the communists in ancient Rome? They were the Christians who were brought to the circus, where they were killed. One of the most fascinating revolutionary events is the history of Christianity. I wish we could, like Christ, multiply fish, bread, and wine for everyone in Cuba.

[Jouffe] Can people freely go to Church?

[Castro] Yes.

[Jouffe] Any possibility of the pope visiting Cuba?

[Castro] I wish he would visit us. It would be a distinguished honor to talk with him. For some time now I have contacted the pope. He is a major figure who plays a role that is highly respected by Catholics. I sent him reports that deal particularly with the foreign debt so that he may become aware of our views.

[Jouffe] You are a close friend of Gabriel Garcia Marquez. Do you feel you are in "The Autumn of the Patriarch"?

[Castro] On the contrary, I feel I am in the spring of the patriarch.

[Jouffe] What do you do to stay in the spring?

[Castro] I stopped smoking, which was very painful...

[Jouffe] So you did not stop smoking because you had cancer...

[Castro] That is what some people would have liked...I take physical exercises, I swim underwater and I keep my mind in constant exercise because a lot is always requested of me...like in this interview.

I attach much importance to physical exercise because it allows the blood to bathe all brain cells. Since you mentioned "The Autumn of the Patriarch," Gabo (Gabriel Garcia Marquez) has said that Simon Bolivar had many love affairs, some of which might be myths. He always hands me the originals of his novels for me to read before publication.

[Jouffe] Is lovemaking one of the exercises that keeps you young?

[Castro] One should not do without lovemaking.

[Jouffe] It is said that you sleep very little. It has even been said that early in the morning you knocked at the doors of the presidents who were attending the inauguration of Carlos Andres Perez...

[Castro] I do sleep, of course I sleep. I even take advantage of my traveling by car to recover some sleep. I choose the early hours of the day for interviews because neither I nor my colleagues have anything to do at those hours. Back to the "Patriarch" though; I do not deny that I can no longer climb mountains as I did in the past. However, I remain the same.

[Jouffe] Is Cuba the same? Haven't there been mistakes? Hasn't Fidel Castro changed a bit?

[Castro] I remain the same. Mistakes? Of course there were mistakes. At that time the United States was like the master of Latin America, and we saw all the governments of the continent as allies of the CIA. Times have changed. We are now different, just like Latin America is now different, almost independent from U.S. influence. We believe in the new democracies and we do not believe that revolution is the only way to solve the problems of the people.

I admit that we made many mistakes out of our lack of maturity and out of inexperience. Of course we made mistakes. We sided with the most radical sector, and instead of being black and white we became red and black... If we had been more mature, we would have avoided isolation and boycott. You should recall though, that we lived in the middle of imperialism, of blockades, of the Playa Giron and Bay of Pigs invasions...

[Jouffe] Frankly speaking, on one occasion you referred to the "new Soviet situation" with some irony. Is it true that you do not get along very well with Gorbachev?

[Castro] Communication with Gorbachev has always been excellent. The paternalist type imposed by his predecessors was lost with Gorbachev. He is seeking "his" formulas for the development of the Soviet people. But we are from the Caribbean and perhaps perestroyka would not have the same effects here. For example, I believe that participation does not benefit anyone... Gorbachev treats me on an equal basis, with consideration and frankness. I wish him stability and development for his country. He needs perestroyka to find solutions to Soviet economic problems.

[Jouffe] Which Soviet leader was the most difficult to communicate with?

[Castro] Really not with anyone but...with Brezhev in the last stage...

[Jouffe] Were you not afraid to come to Venezuela?

[Castro] I was not afraid, but some people who like me were afraid. They were afraid of dynamite...a bomb in the airplane...recalling Bosh (the attack on the Cubana de Aviacion DC-8). They were saying farewell as if I was going to a funeral, my own funeral...but I could not disappoint the people who invited me. How could I disappoint Carlos Andres and the intellectuals who invited me?

[Jouffe] Commander, when is Cuba going to open up like the other countries?

[Castro] Look, every country lives its own situation, it has its own pecularities. We did not have Stalin, the Russian-style agrarian reform, etc. We are from the Caribbean. Some people talk about a plebiscite. For what? What is better than the democracy we are practicing? We practice democracy in a different style.

[Jouffe] Against a wall?

[Castro] People talk about the victims of the executions and not about the people to whom we are giving housing, health, and education. Is that not saving lives? People also forget that we were going through the times of McCarthyism...of blockades and attempts to get power away from us. This was an environment different from the one now prevailing. I would like to reiterate that we made mistakes by acting in an infantile manner. We wanted to copy traditional policies of socialist countries that did not go along with our own pecularities.

[Jouffe] But there was an attempt to export the revolution.

[Castro] We were looking at Latin America as a Yankee colony. That is the truth. Therefore, we joined the most radical parties, the most committed revolutions. Furthermore, as divisions occurred in the left, we supported the ultra leftists...because we felt them to be closer to us. This did not mean that we did not support democracy, and this is why we are here. This means that Cuba is open to receive other Latin American countries and vice versa. That is not the way it was in the past. I was never even invited to presidential inaugurations because of pressure by presidents who threatened not to attend.

[Jouffe] It is said that the laws in your country are very harsh.

[Castro] It is inconceivable for a minister to steal in our country. Latin America has inherited from past governments a reputation of maladministration of public funds. It is not only the act of stealing but the impropoer use of funds for parties, meetings, news conferences... We fight against that in Cuba. The laws there are indeed harsh. If a worker steals an ounce of rice under a capitalist system where everyone manages his own business he can get back what he lost; but under socialism, where the assets of the people are managed through many people, corruption must be stopped.

[Jouffe] It is said that if Reagan was able to reach an agreement with the Soviet Union, Bush will have a place in history if he is also able to reach an agreement with Fidel Castro.

[Castro] When the Americans realize that Latin America is independent and not a possession, then Bush would have a place in history.

[Jouffe] Are you willing to help?

[Castro] Of course. The United States has learned to coexist with socialism based on two historic events: its relations with China and with the Soviet Union.

[Jouffe] What is the worst thing that could be happening to you?

[Castro] Being enclosed in this room of the Hilton. I look like a prisoner. I have seen nothing of this city after so many years.

Comparison of Castro Meeting With Intellectuals

FL1602170689

Havana Television Cubana Network in Spanish at 0200 GMT on 9 February carries recorded coverage of President Fidel Castro's meeting with intellectuals in Caracas, Venezuela on 4 February. The Havana Television Cubana Network version has been compared to the Caracas Venezolana de Television Canal 8 Spanish version broadcast at 2018 Feb on 4 February and published in the 7 February Latin America DAILY REPORT, page 39, revealing the following variations:

Page 39, column two, antepenultimate paragraph, begin item as follows: [Text] [Moderator] I have been given the unexpected honor of presenting, of hosting this ceremony, in which the intellectuals and artists of Venezuela will have the marvelous opportunity of exchanging opinions with the commander, President Fidel Castro Ruz. Naturally, when I was told of the presentation, I thought about the traditional saying, which at this time is more justified than ever: This person needs no introduction. [laughter] In any case, I need to introduce him, which I will do in the course of... [interrupted by laughter, applause]. I will do this as events unfold.

I know that a moment such as this, an occasion such as this, does not frequently occur, when we have the opportunity to have direct contact, a conversation, with one of the personalities of the century. I think that the best thing is to proceed and begin this contact, this conversation.

The gentleman on my right wants to speak. [laughter] (providing additional material)

Same column, paragraph two, last sentence, make read: ...me into now.

Basically, I wish... (picking up at page 40, column one, paragraph five, first sentence, deleting material)

Page 40, column two, paragraph one, sentence three, make read: ...I was not worried about security problems because I think that running risks is our fate; it is our duty. (picking up at column two, paragraph two, sentence two, deleting material)

Column two, paragraph two, sentence five, make read: ...traumatic for our people. More than 1 million... (picking up at column two, paragraph four, first sentence, deleting material)

Page 41, column two, paragraph three, sentence eight, make read: ...and took off. So then I was coming with one... (providing indistinct words, rewording)

Page 42, column one, paragraph one, last sentence, make read: ...the boss? [applause]

[Moderator] We will now proceed to present... (deleting sentence)

Same column, paragraph four, last sentence, make read: ...are perfectly aware—because Cuba is an active member of the SELA—of the functions, objectives, and goals of this Latin American organization. I am not mentioning the SELA, or the Latin American Economic System, to use it as a mere reference; but to say this here and, especially, to ask your opinion.

If this Latin American organization was created successfully and is very well connected in its spirit, content, and scope to the task of Latin American integration, why have initiatives not been taken so far for the creation of a Latin American Information System, SILA? It would be an instrument for the creation, or it may be used to create, a regionalization, a common market of knowledge, a common market of thought, a common market of ideas that are characteristic of and particular to our region. It could be used to look for valid alternatives for the liberation of our Latin American peoples by implementing or using the disciplines of cultural and industrial sciences for the region's integration plan so that the passive role, the expectative role of Latin America, could be changed into an active and leading role in the international scientific system. These are the basic elements of my question, Commander. Excuse me.

[Castro] Yes, stay, stay. I believe you are mainly referring to the matter of information. That is the question, isn't it? What you say is very interesting. Some organizations have been created, such as SELA, which you mentioned. The SELA was created over 10 years ago. I don't know exactly when it was created.

[Malave] In 1975.

[Castro] Well, the SELA was created 14 years ago. I believe that the creation of a Latin American and Caribbean organization was an important step. It was truly a step forward, but it is far from being enough, very far. In my view, more possibilities are opening up for it at this time.

You are presenting a new idea, it is a truly new idea—at least I had not heard about it—an idea of creating a Latin American information system. Are you referring to general information, of all types?

[Malave] Not news as such, but scientific, cultural, and economic information.

[Castro] Of course, scientific. That kind of system could also have some sort of information on political matters. It would be very useful even if what you are suggesting alone was done. If it could also help us have better political information, it would be an even more comprehensive idea. Its importance is very obvious, inasmuch as we get our information on many of these subjects through international companies controlled by developed capitalist countries and the United States.

We have to see the way in which we are being indoctrinated in all fields, even culturally. Perhaps one of the most terrible things in our countries is the amount of canned propaganda we get from all kinds of programs, which leads to a terrible deformation, disinformation, and deformation [repeats himself].

So, you have presented an idea in a few words. I believe this idea should be developed, should be developed [repeats himself] and promoted. One would have to also think and reflect on the way it can be put into practice. It is very important. Institutions need to be created. They cannot remain as ideas. We cannot wait forever to obtain some results.

I believe it is not only the will of men that determines the creation of institutions and the success of institutions, but also the objective factors. I believe the SELA is going to become more important in light of the current crisis our peoples are suffering. I believe all these institutions come up out of necessity, and not as a good or pleasant idea. They come up because of life's needs and what the current processes impose on us.

The need for vital integration could have been seen as a dream—difficult under those conditions in those societies with virtually no communications in such large territories—in the traits inherited from colonial times. What Bolivar said so long ago, what Bolivar said over 150 years ago and seemed to be the work, the idea, of a visionary man, today it is a matter of life or death. Today it is a matter essential to the survival of our people in every sense.

I believe more in integration today, not because it is a beautiful idea but because it is vital, it is a matter of life or death for our people in every field. If we do not carry out those ideas and those goals, we would be committing suicide. They are not easy. I repeat, they do not depend solely on the will of men or the will of governments; they also depend on situations that do not give room for other alternatives.

This is why there is more of an awareness of unity and integration. It can be seen, it can be felt, in the atmosphere and in many things.

I could cite an example. Cuba is a good gauge because it has lived a special experience for 30 years. We were left alone, completely alone, until the time that new situations were created. Let's talk about the battle waged regarding the U.S. plans to put Cuba in the defendant's chair in Geneva. It was a terrible campaign. Enormous pressures were brought to bear. Numerous stories were told about the Cuban Revolution based on lies, on vulgar and filthy lies to put us there in the defendant's chair. The United States had made several efforts before and exerted much pressure. An incredible situation of Latin American unity was created there at the Human Rights Commission. Argentina, Peru, Colombia—a country with which we don't even have diplomatic relations—and Venezuela created a common front and defeated that plan.

Then, it resumed the campaign even stronger [words indistinct] as it had never done before. So we decided to take an initiative: for us to invite the commission to visit. The campaign was defeated again through this mechanism. We were already concerned over the pressures that were being exerted. These are new situations. Compare them with the first years of the revolution. The United States gave orders.

There is a new feeling which also responds to objective conditions. I believe there had never been such an awareness of the way we have been looted and exploited. The foreign debt issue has been a tremendous awareness factor for public opinion and governments. I mention public opinion because it has been very important.

I remember that in 1985, when we were waging the foreign debt battle, most public opinion believed that the debt should be paid. They looked at it almost through the experience of a family unit that needs credit to buy something at the grocery store. This happened to me. How many times when I was a student and even shortly after I graduated did I need credit from the grocery store. They almost looked at the debt as something similar to the commitments they had with the grocer. They didn't think of who assumed it. The debts were assumed without the people's consent. They were tyrannical and repressive governments that didn't have congresses or anything. They mortgaged the countries. They lost the money, or embezzled it, or fled with it; however, the masses still could not see that. I remember this was the case in 1985 when we were waging the battle. Some polls were conducted in some countries and up to 70 percent of the people said the foreign debt had to be paid because it was a commitment. I doubt there is 10 percent saying that the debt has to be paid. It must have gone from 20 percent of those who believed the debt should not be paid to 80 or 90 percent. Nobody knows where it can go.

The problem itself created an awareness. The protectionist measures, the abuses committed, and the growing unequal trade have created an awareness in the masses, in the people, in governments. So, it is not the will of men but the facts that little by little turn into an awareness of the problems and the search for solutions. I believe that in this situation, the idea you present should be developed, it should be given substance. I believe it is very important because it could be a very important instrument. This may be the right time. We could think about which government

could take the initiative, who is in the best position to make it possible. I don't know how you conceive of it—I believe official cooperation is needed for an agency of that type. This is going to be more difficult than the signatures you gathered. [laughter]

I even thought: Where have they gotten the money to make those statements public? I was told that collections were made. This makes it even more admirable. We need official cooperation. I don't know if you have thought along those lines when you talk of that agency, SILA. You have already named it?

[Malave] Yes. The Latin American Information System.

[Castro] The Latin American Information System as a complement of the other institutions. Have you thought about who could materialize that idea? Perhaps an institution? Have you thought that perhaps the SELA itself could do it?

[Malave] Through the initiative of many Latin American countries which would be interested in the project.

[Castro] Of course, you could count on us for this. I say that it is worthwhile to continue developing the idea. It is important. I believe it is a logical thing. Is this not true? All right, thank you very much.

[Malave] Thank you, Commander. [applause]

[Moderator] Dr Ricardo Molina Marti, chairman of the Venezuelan Council for Peace and Human Rights. Please.

[Molina] Very briefly. [laughter] President Fidel Castro. First of all, I want to express our happiness at your presence in Venezuela after a 30-year absence. During that time you were present in Venezuela with your work and thought.

You made reference to the campaign of attacks and slanders before you came to Venezuela. Indeed it was a matter of concern. We thought that that campaign of attacks and slanders was not only aimed at you and Cuba but also at the government that was inviting you in a respectful way. We can say today that the Venezuelan people, all the Venezuelan people, have never shared that disastrous policy of slanders and aggressions.

EL NACIONAL newspaper published today an interview with the Brazilian anthropologist Dersi Ribeiro. He says, among other things, that the world expects that the future civilization will emerge from Latin America. Perhaps this is somewhat utopian thinking, but it can become a reality. Playing the role of a journalist—I am a physician, I ask the journalists to excuse me—I would ask you: What points of agreement do you think should exist in Latin America to begin to prepare in a forceful way to make the statement made by Ribeiro a reality?

[Castro] Well, first of all, it is a nice thesis. I believe it is credible. I believe we have the potential for it. I also believe that the role of our America—as Marti called it—is potentially very big, very big [repeats himself]. If new things can be expected in the future of a region of the world, it would be of this one. It is no longer from Europe. It is no longer from the United States. It is no longer from Asia. We have received new news from all those hemispheres, important events have taken place at various historic times.

The Europe of today is a different thing—the same Europe that waged so many wars for centuries. Those who studied history—when we were high school students we were told about the 30-Years War, well, the 7-Year War, the 10-Year War, and even the 100-Year War—they spent a century fighting among each other. In the end, today Europe is industrialized. It has a common market. It will wipe out its customs barriers by 1992. It has a supranational parliament. It is even taking steps toward forming not only economic but also political integration. But what can the world expect from Europe? It was a metropolis, it colonized, it looted us, it developed with our resources. We financed it. We, who today do not have anyone who can finance us. We financed it with the blood of millions and perhaps hundreds of millions of lives of Indians, slaves, and blacks. This is Europe. What can we expect from it? Much more than its protectionist measures, its selfish economic positions.

Great things were expected from China. Well, Japan emerged as a great industrial power. The Chinese revolution took place. It was a very important event in modern times. What can we expect of the United States? What can the world expect? However, I believe the world can expect a lot from Latin America. Especially the so-called Third World, the developing world, or, better said, the underdeveloped world. It is not a developing world but an underdeveloped world. The gap grows between those industrialized countries and us. I would say that we are truly the region of the future. It is a region from which the world can expect more changes, new things.

When we were waging the battle against the debt in 1985, we sponsored in Havana meetings of workers, peasants, students, journalists, women, political figures, and labor unions. We said Latin America was the region that was in the best shape to wage this battle. It was not Africa, and I explained why: because of the situation, the poverty of Africans, the specific problems of Africa. I didn't see it in Asia, I didn't see it in Africa. I saw in Latin America the [words indistinct] the region of the world that was in the best shape to wage and lead the Third World battle because of many factors which would be too long to list. We were the best prepared to carry out that task.

Our potential is huge: first of all, because of our human potential. [Words indistinct] nothing to envy of other regions of the world from the point of view of human potential. The cultural potential: I think of what it would

be like to unite the cultures of all of our peoples. We would have nothing to envy of other regions of the world in our creative capabilities. I think of our economic potential. We would not have to envy any region of the world regarding our natural and economic resources.

I think of the spirit of our peoples stimulated by the challenges we have before us. I can truly share that thesis. Of course, it is about to be implemented, is about to be carried out. It is a truly difficult task, but sooner or later it will be fulfilled because we have no alternative. If that doesn't happen, what is in store for us? I believe in the instinct of our people, the ability of our peoples to wage the battles they have to wage so that we can reach those goals.

We gave special importance to some economic factors because they were the most pressing ones, the ones that could unite us. I believe we have to wage a battle on behalf of the Third World and together with the Third World. We are in better condition than any other region of the world to wage it. We are in the best condition to make greater contributions. I had not mentioned, for example, the socialist community in Europe. It made great contributions. But I believe we are the ones, the present and future generations, who have to play the role that was mentioned.

This is in general how I see the problem. I am also very confident of our people, without underestimating, without dreaming, without ignoring the huge difficulties we have to overcome. I believe in objective conditions more than in leaders. Objective conditions shape the figures, shape the leaders, the great leaders of independence: Bolivar, Sucre, or the Mexican patriots, or Marti, who is our most exceptional figure. They were not a product of the 15th, 16th, or 17th centuries. They were a product of the 18th century. They were a product of the circumstances of the world at the time and the luminaries, the wise men, the figures that emerged from that. The process itself, the objective needs of the process, will create the figures, leaders, and cadres. This is what this kind of task entails.

If one begins to think of what is happening today in each of the countries, one would see that there are many problems. Although we have made progress in the matter of union, integration, actually of unity, there is an immense road before us. Circumstances determine the fact that we are here together after 30 years, after 30 years [repeats himself]. This is significant. The fact that we visited Mexico after 30 years, the fact that we visited Quito after 30 years, means we are in a new stage. We have been invited to participate. We are considered a part of them. I believe the objective conditions have opened the doors to these new possibilities.

I have seen changes in these 30 years. One of the things which has impressed me most is that I have seen a new Venezuelan generation. It is impressive. I myself have to start thinking to see if I can explain some of the phenomena I have seen here. This is one of the unique phenomena. I am trying to find an answer to see how this can be explained.

Propaganda and all that was talked about. It was not a month-long propaganda. There have been 30 years of propaganda against Cuba, 30 years [repeats himself]. I believe that a country could have been developed with the billions that imperialism has spent on propaganda against Cuba. What happened in the last few weeks since there was talk about the possibility of this visit was an expression of all that, it was a culmination of all that. They must have thought that they had crushed all anti-imperialist ideas, all feelings of rebellion and insurgency against the powers of the empire. Perhaps they thought that Caracas was the safest place to halt that unitarian sentiment, this new practice of inviting Cuba to international events, and that this would be a sort of Waterloo for that policy, or that this was going to be a disaster. I would say that this would have been the most difficult place because of the work of 30 years here and everywhere.

Of course, we have already had experience in other places, such as the Nonaligned Movement, in which Cuba was even given the honor of being the host country and chairing that movement. While the United States isolated us from Latin America, our relations developed tremendously with the rest of the Third World. Cuba acquired prestige, authority, respect. We have had evidence that simple propaganda does not destroy ideas, no matter have massive it is. [applause]

People have an instinct that illuminates them, that makes them see. I have personally experienced this in many places of the world. I have seen that ultimately propaganda had an inverted effect. It almost helped to increase Cuba's prestige in many places, although it has helped to create considerable confusion about the reality and the truth of the Cuban Revolution. They have painted our good and bad things with such somber colors that when people come to Cuba they expect to find Dante's "Inferno." What they see are some things that don't belong to the inferno.

Many times, all this even increases admiration for us. This is why I say that one has to trust people. I believe this struggle is of historic significance—this struggle against lies, slanders, biased propaganda used to confuse and deceive people. This has to be very stimulating for all of us in the sense of the possibilities that these conditions you are talking about are created.

A Marti thought comes to my mind: Men do not shape the people; people are the ones who shape and create men. This is true here and anywhere. Lenin did not exist in the 16th century. He would have been three times as wise. Marx did not exist in the 17th century. He would have been ten times as wise... [changes thought] Marx

emerges with the Industrial Revolution, at the beginning of the Industrial Revolution, the working class developed and all those problems and situations were created.

So, let us not be discouraged even if we think that there are no outstanding men. The peoples are going to create these men. Men is merely a term. These men are not going to play the role they played in other times. The role of individuals becomes less and less important. Intelligence is more and more of a collective nature. Creations are more and more a result of groups and not of men. All those groups, all those cadres, are the ones that are going to create the people. Therefore, no matter how difficult these dreams may seem to be, without being an extremely optimistic man—he who is not optimistic should refrain from engaging in a project beforehand—I believe in this idea, in this principle. I believe that our hemisphere, our Latin America—as Marti called it to distinguish it from the other one—has an enormous potential, and I believe it will have an enormous influence in the world. [applause]

[Moderator] Dr Luis Navarrete Dorta, professor of the Humanities School of the Central University of Venezuela. [applause]

[(Navarrete)] Good evening Commander. These are three works. One is a collective work of a group of people who want to [words indistinct] the possibility of building a new world. This magazine [words indistinct] dialogue. We are a group [someone in the crowd says: "I can't hear"] that are hopeful for the future of Latin America. This is another work of a group of Venezuelan intellectuals who have material of the new revolutionary mentality of the world. This is a personal work. I wanted to simply read the statement as a salute to you. I am going to read.

Commander Fidel, the Venezuelan intellectuals and our people are full of joy because of your visit. Marti and your people have traveled with you. Welcome. [applause] I have two questions, or rather two topics. (picking up with page 42, column one, paragraph five, first sentence, providing material from 20-minute station break)

Same paragraph, sentence five, make read: ...early 1970's, some left-wing Latin American ideologists... (supplying word "left-wing")

Page 43, column one, paragraph one, sentence one, make read: ...popular and progressive governments in that, despite the fact... (supplying indistinct word)

Page 44, column two, paragraph two, sentence three, made read: ...socialism, we would first have to... [Castro... (clearing queried word)

*** Produce Kiosks Receive Favorable Evaluation**
32480081b Havana TRABAJADORES in Spanish 14 Jan 89 p 3

[Article by Jose Francisco Reyes]

[Text] The initiative of installing the so-called kiosks or stalls at different points in the capital, from which various agricultural products are sold, has turned out to be convenient and useful for streamlining purchases.

Oranges, tomatoes, mandarin oranges, onions, and other products can be found at these small stands, which have been welcomed by the population. Working women, who stop by on the way home after work, find them particularly convenient for obtaining the goods they need quickly.

At the end of last year, as part of the program for bolstering supplies in the capital, many of these kiosks were set up. We found on a tour of them that the customers are happy with the measure.

Without trying to replace the effort that the markets and stores should make to supply these products, the stalls increase the efficiency, speed, and quality of service. This is especially true at the present time, when we are all immersed in myriad social and labor activities.

Modern times require and demand efficient service, and the population becomes justifiably irritated when organizational deficiencies cause unreasonable delays in purchases.

These stands in and of themselves are not the way to contribute to optimum service, nor should they be extended or multiplied in other areas. In essence, that is what the commercial units are for; they have an obligation to improve efficiency and organization in meeting their customers' needs.

Nevertheless, the initiative may be pursued on a limited basis if these sales outlets continue to be supplied with whatever is on hand, if the products are fresh and treated, and if the workers who operate them keep the proper attitude. If these prerequisites are met, the kiosks will continue to be well received.

*** Hydrocarbon Pollution in Havana Bay Reduced**
32480081a Havana TRABAJADORES in Spanish 23 Jan 89 p 2

[Article by Ivette Villaescusa]

[Text] Hydrocarbon pollution in Havana Bay has been greatly reduced, to the extent that the average has fallen from 3.35 milligrams/liter in 1985 to 0.39 milligrams/liter in 1988. This figure was obtained in an inspection conducted by specialists from the Institute of Transportation Research.

This reduction was made possible by measures such as the policy of recycling hydrocarbons in industry, specifically in the repair shops along the edge of the bay in the capital. These shops used to be, and may still be, a major source of pollution. Water conservation has also had a positive effect; because less liquid comes through, the hydrocarbon residues contained in it are reduced as well.

The Evelio Rodriguez Curbelo Gas Plant solved its residue problem, which means 3 tons less being poured into the bay each day. The Nico Lopez Refinery has also improved its situation.

Certain amounts of hydrocarbons are still visible, however, as the problem of the Port Sanitation Unit has not yet been solved. This unit is in charge of cleaning up the bay with special equipment in order to rid it of contaminants left by ships and solid waste floating on the surface.

It cannot be said that the solid waste situation is as favorable as that of hydrocarbon pollution; the amount of organic material is more or less the same, reported Angel Valdes, environmental specialist.

In addition, although the polluting industries such as slaughter houses have responded, the effects have not yet been seen. On the other hand, the lack of sewage facilities in some areas continues to have an adverse effect, as waste from the population is still allowed to pass freely.

*** Statistics on Electrical Shortages Reported**
32480080b Havana TRABAJADORES in Spanish 23 Jan 89 p 12

[Article by Rodolfo Torres]

[Text] As predicted, the lack of electricity has continued to have a minimal effect on the sugar harvest, despite reports from the Ministry of Sugar Industry (MINAZ) that indicate a loss of more than 1,000 tandem hours so far for this reason.

The information provided by the ministry also indicates that between 1 and 10 January, 374.32 hours were lost, and that 73 sugar plantations were affected during that period. So far 115 sugar mills have experienced electricity shortages.

The provinces hit hardest by this shortage, according to the MINAZ, are Villa Clara (204.39 hours), Camaguey (134.75), Sancti Spiritus (121.92), and Las Tunas (111).

When the Ministry of Basic Industry (MINBAS) was asked about this matter, it reported that these 1,000 or so hours mean a national outage figure of 0.79 percent, and the projection for these outages is 0.82 percent. Both ministries agreed on this latter figure.

It was also noted that not all these hours correspond to a lack of electricity, but to other reasons as well. Some of them are occurrences within the factories or their areas, and are matters within the purview of the MINAZ. Many of these problems are caused by breakdowns within the sugar mills.

Reports to the MINBAS from the provinces indicate that most of the power outages are due to sugar combines and wagons knocking down power poles.

As of the end of the first 10 days of 1989, power outages amount to just 0.65 percent, which has an impact on the 133,512 tandem hours that the sugar mills are supposed to work throughout the country.

MINBAS specialists report that although the rate of power outages is low and service is being delivered at a rate of 99.35 percent for the harvest, it would be better to meet the demand 100 percent. This is impossible, however, even in highly developed nations.

Nevertheless, with a view to meeting this objective, work was done before the sugar harvest began to maintain lines and substations and to change transformers and insulators. In addition, power technicians are on the alert in every province to look for the slightest sign of any problem. In the last harvest, power outages amounted to 1.07 percent of the total, and this year the figure will be lower, they declared.

*** Statistics on Precious Metals Reported**
32480080a Havana TRABAJADORES in Spanish 23 Jan 89 p 3

[Article by Estrella Almagro Torriente]

[Text] The workers of the precious metal recovery unit in Havana produced just over 4 tons of silver in 1988.

In addition, they yielded 3,441 kg of gold; 2,168 kg of platinum; 2,236 kg of palladium; and 309 grams of rhodium. These metals are much in demand for the manufacture of electronic components.

Despite these results, they were unable to fulfill the annual plan, because for much of 1988 they had no sodium hyposulfite, a raw material that is in very short supply on the world market.

In addition to radiological plates and other photosensitive materials, batteries from digital watches are another source of silver. Gold is obtained from the casings of gold watches and some electronic components; platinum is deposited in the tanks of fertilizer factories, from the mesh used there; and rhodium and palladium come from electronic components.

In addition to obtaining precious metals, the workers at the unit have begun developing other lines, such as the production of silver nitrate, in which the preliminary steps are well under way. They are also convinced that with a minimum investment they can recover platinum from dental amalgam.

The skilled labor force at this center consists of just two chemical technicians and a metal refining technician.

At this time they face a serious problem: the large accumulation of acetate plates left over after the stripping of radiological plates. The Local Industries of the People's Government may find an application for this residual material in the manufacture of toys, flowers, and other goods.

Other products are gold chloride in which badges and medals and platinum disks and threads are bathed for use in research laboratories. This is the only supplier of fixer for photosensitive films, and the technology used here has attracted the attention of several Third World countries.

*** Prospects for Students Studying Abroad Viewed**
32480079b Havana TRABAJADORES in Spanish
21 Jan 89 p 2

[Article by Jose Yanes]

[Excerpt] For the first time this year, Cubans studying abroad will carry out their internships in Cuba. This will provide for a stronger professional bond with our economic reality and more contact with the labor collective in which they will be working.

This was revealed to TRABAJADORES in an interview with Orestes Machin, principal specialist at the Department of Job Placement at the Ministry of Higher Education (MES). Machin added that of the 1,200 Cuban students in the GDR, Bulgaria, and the USSR, approximately 500 or 600 are expected to come here for their internships. In the future, all recipients of foreign scholarships will return for that purpose.

Machin also reported that next 21 February a commission of specialists from more than 30 agencies of the Central State Administration, to which the students have been assigned, will travel to those socialist countries.

The primary objective of the trip by the commission, which is chaired by the MES, the Central Planning Board (JUCEPLAN), and the State Committee for Labor and Social Security (CETSS), is to coordinate their interests in these matters with the foreign educational centers, and to meet with students and look into the details of preprofessional work. Thus, they will determine what agency and what enterprise they will belong to.

The internships will take place between May and August, without affecting the students' vacations. This will allow for considerable savings in travel expenses. [passage omitted]

*** Prototype Robots, Future Uses Discussed**
32480079a Havana TRABAJADORES in Spanish
20 Jan 89 p 10

[Article by Ivette Villaescusa]

[Text] When robots begin appearing this year in industries such as the sugar sector, the Antillana de Acero steel plant, or the Camaguey Mechanical Plant, if there is some poor lost soul who still associates these programmable devices with what he saw in "Star Wars," he will be totally perplexed.

But there is nothing to be amazed about. With robotization, Cuba is advancing in its development; this famous personage that was until recently identified with science fiction will not tolerate poor quality, or even fair quality.

Indeed, one of the objectives of robotics is to standardize quality, because not only does the robot produce top quality output, but in order to work, it demands that the raw material input be of high quality. Otherwise, it will reject the input. Robotization guarantees that mechanical products will be able to compete on the international market.

Robots will be introduced into our country in places where the work is difficult and the labor pool unstable, and the only way to achieve quality is by replacing the people in those jobs.

The construction of the Software and Robotics Center (EICISOFT) in the Vedado in late 1988 will guarantee the production of robot prototypes, which will be reproduced on a large scale.

Its director, Armando Rodriguez, informed us that this month the third prototype should be finished, and all will be tested to work out bugs. Mass production will begin in the second half of the year.

Competing on World Level

"One of the most valuable parts of the robot," explained Armando, "is its control, and ours has a control that is competitive on the world level. It is capable of making a straight line between any two points, circles, or other geometric figures of greater complexity in different positions.

Aside from robot controls, among the most important plans for 1989 is the construction of numeric controls for machine tools. It is expected that these will be competitive on the world market as well.

These numeric controls incorporate computer-aided design (CAD) features; the machine tool itself helps develop the technology of the part it is to manufacture. It simulates what the lathe will do, and when it is making something that is not exactly according to plan, it can modify the program right there.

"Having our own numeric controls," says the director of the Software and Robotics Center, "is of tremendous economic importance, not only because of the savings in foreign exchange represented by not having to import them anymore, but also because if one breaks, we avoid a whole series of complications, such as delays and expense in bringing a technician from its country of origin to repair it. Moreover, foreign companies are usually reluctant to give information on numeric controls, and that creates an undesirable technological dependence.

This year, Cuban numeric controls were installed in 23 of the 30 lathes that will be placed in various plants of the Steelworking Industry (SIME).

Nevertheless, the fundamental value of the center's production lies in its informational content; that is, the direct programming of computers. Work is proceeding on three fronts: image processing, control, and basic software. The latter is what tells the machine how to deal with keystrokes, how to put each letter on the screen—in other words, the basic functions. This is the most professional and difficult line, and work is being done in just a few places.

Caricom

Trade Ministers Talks Scheduled for 'Next Week'

FL2302171389 Bonaire Trans World Radio in English 1130 GMT 23 Feb 89

[Text] Caricom [Caribbean Common Market] trade ministers will meet in Trinidad and Tobago next week for talks on the performance of intraregional trade back in 1988. The Caricom secretariat said the ministers will also review measures adopted by some of the countries which appear to hinder trade within the 13-member community.

Curacao

National People's Party Favors Independence

FL2202154989 Hilversum International Service in English 1030 GMT 22 Feb 89

[Text] The largest political party in Curacao, the National People's Party of Prime Minister Maria Liberia-Peters, has issued a report declaring itself in favor of becoming independent of the other Netherlands Antilles islands. The details of the report have not yet been made public. It is known, however, that the National People's Party is in favor of introducing a new electoral system, a combination of the current majority voting system, and a new constituency voting system. Earlier, the political leader of St. Maarten, Mr Claude Wathey, said he favored independence for his island, saying that if the Netherlands is against it, he will turn to the United Nations.

Dominica

Chief Magistrate Fired for 'Harsh' Rulings

FL2102155189 Bridgetown CANA in English 1722 GMT 21 Feb 89

[Text] Roseau, Dominica, Feb 21, CANA—Dominica's Ministry of Legal Affairs has fired the country's Chief Magistrate Glensworth Emmanuel following complaints from people here that his rulings were harsh. Attorney General Brian Alleyne confirmed that Emmanuel's three-year contract was terminated with effect from last Monday.

Emmanuel had served only six months of the contract. His term was marked by repeated charges of harsh penalties. Prime Minister Eugenia Charles last week insisted that her government would not interfere with the independence of the judiciary, but she warned the magistrate against abusing the law.

Emmanuel has not publicly commented on the termination of the contract, but recently he said those not happy with his rulings could resort to the appeals court. He said that he was not concerned about his apparent unpopularity. "I am not in the popularity stakes; that's not my job. I am not there for that at all.... once I am doing the job properly, that's all I am concerned about," he said. He said that he felt his rulings were "first class". Emmanuel had worked for many years in the United Kingdom.

The attorney general said that Ronald Armour had been recommended to the Public Service Commission as a replacement for Emmanuel with effect from February 21.

Dominican Republic

Further on Strike by Teachers, Reaction

Administrative Workers To Strike

FL2302170689 Santo Domingo Radio Mil Network in Spanish 1116 GMT 23 Feb 89

[Passages within quotation marks recorded]

[Text] The Dominican Association of Teachers, ADP, has decided to extend their national strike in the public schools to include personnel that work in the schools' administrative services.

ADP Secretary General Prof Rafael Santos said that the new decision will interrupt the processing of paperwork, including certificates and notes. Santos added:

"This will also affect the services demanded and received by private colleges (?from) the public schools. These workers will immediately join the strike. We made

this decision in response to the authorities' refusal to find a solution to the conflict through the only method by which this can be resolved: negotiation and dialogue."

The teachers' strike began its 10th consecutive day today and there appears to be no way out of the conflict for the moment.

Prof Santos said that Dominican schools will not be able to function if the problems that impede quality education are not resolved. Santos said:

"Our fight will not cease if these educational and school demands are not met.

"Our organization has not discarded the possibility of going through the secretary of state for education as a way of solving the conflict. We have said, and we reiterate, that unless the education secretary receives authorization from President Balaguer to negotiate with us, a meeting with him to discuss an agreement that has already been signed and violated will be meaningless. That is why we maintain our position on holding talks with any official President Balaguer appoints. However, in all cases, the talks will have to be based on the November agreement that was violated by the Education Secretariat and the government."

Withholding Pay 'Will Not Help'

FL2302174989 Santo Domingo Radio Mil Network in Spanish 1122 GMT 23 Feb 89

[Excerpt] The Juan Pablo Duarte faction of the Dominican Association of Teachers, ADP, warned that withholding the teachers' pay will aggravate the strike in the public schools even more. ADP leader Jose Ayal said yesterday that withholding this month's checks will not help at all in solving the conflict. He said that this measure, announced by Education Secretary Pedro Pichardo, will force ADP leaders to radicalize their position. [passage omitted]

Trial Date for Ex-President Blanco Set

FL2302201789 Santo Domingo Radio Mil Network in Spanish 1700 GMT 23 Feb 89

[Text] The Supreme Court today authorized the trial of ex-President Salvador Jorge Blanco to be held in the Seventh Criminal Court courtroom due to the amount of available physical space. This was stated by District Attorney of the National District of [words indistinct], who added that the other legal procedures of the Seventh Criminal Court will not be affected [passage indistinct] which will guarantee the presence of the witnesses, lawyers, and other people interested in the case involving the ex-leader.

The trial of Jorge Blanco is scheduled to begin at 0700 on 1 March in the Ciudad Nueva Palace of Justice.

The proceedings are under the charge of Seventh Criminal Court Judge Dr Juan Maria Severino. At least 50 people are scheduled to appear as witnesses in the trial of Jorge Blanco, who is accused of having sold [words indistinct] equipment that had belonged to the armed forces and the national police.

Among the witnesses are Dr Marino Benito Castillo; Lic Jose Antonio Guzman Alvarez, accountant-general of the Republic; [words indistinct]; and other ex-officers of the armed forces and police.

Grenada

Coast Guard's Move to Prickley Bay Discussed

FL2102170289 Bridgetown CANA in English 2242 GMT 20 Feb 89

[Text] St George's, Grenada, Feb 20, CANA—Grenada's Coast Guard is moving to set up a new base at Prickley Bay in the south of the island, well-placed security sources here said. The sources told CANA that plans are in the making to have the Coast Guard removed from its present Lagoon Road base to permanent facilities at Prickley Bay. One official who asked not to be named said that feasibility studies of the area are currently being undertaken with assistance provided by the British Government. He spoke of this involving a check of the sea depth of the Prickley Bay, its currents, and other hydrographic surveys of the area. According to the official the decision to shift the Coast Guard is being made mainly on security grounds. He identified another problem as the presence of a sand barrier in the Lagoon Road area which prohibits maneuvering by the major Coast Guard vessel, "The Tyrell Bay". He indicated that both the sister island of Carriacou and Mt Hartman on the mainland were considered as possible sites for the Coast Guard but were ruled out. He said that Carriacou was disregarded on account of its distance and in the case of Mt Hartman it was discovered that the cost of putting in certain infrastructure facilities there would be too costly.

Grenada currently has a three-vessel Coast Guard to protect the island's territorial waters.

Visiting British Secretary on Better Bananas

FL2302170289 Bonaire Trans World Radio in English 1130 GMT 23 Feb 89

[Text] A British official yesterday said in Grenada that if Caribbean banana farmers want to retain their privileged access to British markets they must improve the quality of their fruit. Baroness Trumpington, who is secretary of the British Ministry of Agriculture, is in Grenada before passing on to Guyana tomorrow. She said: If Caribbean bananas are not good quality, they'll not be sold. The European Economic Community becomes one market after 1992 and fears had been expressed that the Caribbean may be at least semi-excluded from that new unified market.

Jamaica

Prime Minister Manley Defends Size of Cabinet

FL2302194089 Bridgetown CANA in English 2228 GMT 21 Feb 89

[Text] Kingston, Jamaica, Feb 21, CANA—Jamaican Prime Minister, Michael Manley, has defended the size of his 19-member cabinet, saying it was designed both for efficiency and to make government members more accessible to the public. Manley, who won the February 9 general election here, named 16 cabinet members with full ministries and two ministers without portfolio, including one who will operate in the office of the prime minister.

The prime minister himself holds responsibility for defence and information, but it is expected that the information portfolio will be handled largely by one of his junior ministers, giving Manley more time to act in a largely supervisory role.

The cabinet, which held its first meeting Monday, is six members more than the final team of defeated Prime Minister, Edward Seaga, and has drawn comment here on its size. But Manley, according to the official news agency, JAMPRESS, told the first session that the size of the cabinet was "because the groups are more or less logical at each point. We are trying to find a logical structure to rebuild the Civil Service to its former state of efficiency, ensure effective management and have the kind of distribution of ministers that would provide adequate accessibility to the public," Manley was quoted as saying.

Pointing out that governments were managed by civil servants, while ministers set policy and insisted on the tackling of priorities, Manley argued that efficiency was not necessarily increased by any specific number of cabinet members who considered decisions.

Manley said that Seaga's 13-member cabinet had shown that one of the vital purposes of the minister, that he be accessible, could not be served. "Ministers should be available to people, to talk to and to listen with sensitivity," Manley said.

Manley also said that his cabinet will meet fortnightly on Mondays, with the intervening Mondays being reserved for a meeting of a Council of Ministers, including the parliamentary secretaries and ministers of state. The Council of Ministers' meeting, Manley said, would provide an opportunity for junior ministers to be involved in the wider discussions of the government.

Seaga Pledges 'Constructive' Opposition

FL2202221189 Bridgetown CANA in English 1630 GMT 22 Feb 89

[Text] Kingston, Jamaica, Feb 22, CANA—Edward Seaga, sworn-in Tuesday as Jamaica's opposition leader, has repeated the pledge of his Jamaica Labour Party [JLP] to be a constructive, but vigorous foil to Michael Manley's government.

Seaga was prime minister for eight years until his party was heavily defeated in the February 9 general election here. "We will give the government the response we obtained as a government from the then opposition, in which we were able to conduct constructive dialogue and arrive at consensus on many important national issues," Seaga said after receiving his instruments from the governor general, Sir Florizel Glasspole.

The tone of Seaga's remark was in keeping with a broadcast Sunday by JLP chairman, Bruce Golding, in which he welcomed Manley's initial signals for national reconciliation and for government and opposition to work in cooperation in some broad areas.

However, Seaga in Tuesday's remarks said that the opposition "takes on the character and tone of the government. If a government is militant, if it is vindictive, vengeful, if it victimises, then the opposition will take on a tone that befits the character of that government," he said.

This was apparently a reference to the militancy of his opposition in the 1970's during democratic socialist Manley's first two terms in office.

Seaga has said his government reduced the tensions of the 1970's by not being vindictive and vengeful.

Seaga told reporters after the ceremony that he hoped the Manley government would continue to give "substance of national unity."

Prime Minister To Meet With U.S. Businessmen

FL2202184489 Bonaire Trans World Radio in English 1130 GMT 22 Feb 89

[Text] A group of American business leaders meets today with Mr Michael Manley, the new prime minister of Jamaica. The 20-member delegation is led by Frederick Brooks, president of the lobbying group Caribbean-Central American Action. Mr Manley is expected to discuss Jamaica's policy toward foreign investment and the private sector.

Trade Bill Discussed

FL2302160389 Bonaire Trans World Radio in English 1130 GMT 23 Feb 89

[Text] Jamaican Prime Minister Michael Manley held his first meetings with a group of American business leaders yesterday. Talks centered on a proposal now before Congress to strengthen the U.S.- Caribbean Basin Initiative [CBI]. The leader of the delegation, Mr Frederick Brooks, spoke of the CBI-2 bill, saying that it would come much closer to a true duty free trade opportunity for the countries of the Caribbean basin. He added that what is needed is support from the region's leaders to

show that it is important to the region. Mr Manley spoke of the need for both the Jamaicans and the overseas private sector to continue with all systems go in business and investment.

St Lucia

Britain's Prince Charles Continues Visit

Activities Reviewed

FL2202160489 Bridgetown CANA in English 2328 GMT 21 Feb 89

[Text] Castries, St. Lucia, Feb 1, CANA—Britain's Prince Charles on Tuesday visited a controversial estate in St. Lucia's south western town of Soufriere, handed out national awards, and attended a banquet.

Prince Charles, described by government officials here as a [words indistinct] Prime Minister John Compton included the Jalousie estate on his programme. The estate is the focus of a dispute between a Soufriere Council which wants the site reserved for a national park, and a Swiss based Iranian group which plans to build a hotel complex on the estate at a cost of 25 million U.S. dollars.

Late Tuesday the prince attended a reception at Government House for the St. Lucian community and presented the Order of St. Lucia medal to some St. Lucians who made an outstanding contribution to the former British colony. This was followed by a state banquet at the Cunard La Toc Hotel where Prince Charles met visiting dignataries.

The Prince came here mainly to take part in activities marking St. Lucias 10 anniversary of independence Wednesday. At midnight a re-enactment of activities which took place ten years ago will be held on the tarmac of Vigie airport, completed with a military parade and a 21 gun salute.

On Wednesday the Prince will address a youth rally. The rally will be highlighted by performances from primary and secondary school students from around the island. Addresses will also be made by Prime Minister Compton and Education Minister Louis George. Prince Charles is also expected to officiate at a children's art exhibition at the Castries City Hall.

Among the several dignitaries who have arrived here to participate in the celebrations are Barbados Prime Minister Erskine Sandiford, Deputy Prime Minister of Grenada Ben Jones, and Caribbean Community Secretary General Roderick Rainford.

Endorses Caribbean Unity

FL2302163089 Bonaire Trans World Radio in English 1130 GMT 23 Feb 89

[Text] Britain's Prince Charles yesterday gave an endorsement of political union in the eastern Caribbean. Speaking at independence day celebrations in Castries, St. Lucia, the Prince said the small English-speaking countries in the eastern Caribbean should follow the example of the twelve-member European Economic Community. He said he'd be watching developments in the Caribbean with interest and friendly concern. The Prince left St. Lucia yesterday afternoon for Venezuela.

Trinidad and Tobago

Prime Minister Reshuffles, Expands Cabinet

FL2402005189 Bridgetown CANA in English 0017 GMT 24 Feb 89

[By Debra Ransome]

[Text] Port-of-Spain, Trinidad, Feb 23, CANA—Trinidad and Tobago's Prime Minister A.N.R. Robinson on Thursday night announced he was reorganizing and expanding his cabinet and giving up the important finance portfolio.

Robinson brought two new faces into the cabinet that from March 1 will have 18 members. Junior Finance Minister Selby Wilson will take over finance portfolio and Anthony Smart, junior minister in the prime minister's office with responsibility for the public service, will head the Attorney General's portfolio.

In his address to the nation, Robinson also announced plans to create a system of national service and to give priority to agriculture and energy in the short term and tourism and manufacturing in the medium term.

In a speech broadcast nationwide, Robinson announced he was making separate Ministries of Finance, Agriculture, and Energy. He also re-designated the Community Development Ministry to focus specially on social development and family services to address the social and welfare needs that are a spin-off of the country's economic adjustment plans. Former Community Development Minister, Gloria Henry, is now social development and family services minister. Former Decentralization Minister, Dr. Brinsley Samaroo, has been upgraded to handle the new Food Production and Marine Exploitation Ministry.

The remaining portfolios from that ministry, the environment and the new national service portfolio remain with former Food Production Minister, Lincoln Myers.

Robinson explained the new national service portfolio as a long-range institutional reform. We see this as a program which will involve our youth with Know Your Country and Know Your Region training programmes, Robinson explained.

The energy portfolio has been separated from labour and is to be handled by shifted National Security Minister, Senator Herbert Atwell. Agriculture offers the broadest range of opportunities to our population in the shortest time period. Our experience is greatest in the energy and agricultural areas, Robinson explained.

A Justice and National Security Ministry has been set up which will be handled by current Attorney General, Selwyn Richardson. Robinson announced that he would still retain the title of minister of the economy and chairman of the two labour, business and governmental consultatory bodies.

Minister Without Portfolio, Dr. Bhoe Tewarie, remains with the same title despite widespread speculation that he would be given the information portfolio, which Robinson holds.

The leader of the 26-month administration said that energy and agriculture would be the "spearheads" of the country's short term development followed by tourism and manufacturing. The reasons for this are clear and have been spelt out in the medium term programme, Robinson said.

The energy sector is still unrivaled as a net earner of foreign exchange. It is the most attractive to foreign investment. It has the fastest response time of all our sectors. He added: Tourism and certain areas of manufacturing will take a little longer to plan and organize effectively, though there are, of course, certain activities that can be, and are, being implemented immediately in these two sectors.

Robinson explained the thrust of his administration in the face of dwindling oil prices. Pointing to the government's tax reform program expected to get on the road this year and new programs for oil and natural gas exploration, he said that the major part of the country's stabilization and adjustment effort was now behind Trinidad and Tobago.

The second phase of the revolution, Robinson said, needed a shifted focus getting the country's investment program off the ground, projects on the way, and welfare programs put in place. The stabilization and adjustment measures which we have endured while ultimately inescapable have had the regrettable side effects of increased job loss and human deprivation in the short term, Robinson said.

Far from being heartless or unconcerned with the plight of the disadvantaged, the government, and I as prime minister, have been painfully aware of the distress that some of our citizens have been experiencing. Robinson added: Even as we understand its causes and recognize the inevitability of the pain and the necessity for the measures that have to be invoked, we are concerned with devising and implementing practical measures to alleviate the situation.

New Cabinet Members Listed

FL2402012489 Bridgetown CANA in English 0024 GMT 24 Feb 89

[Text] Port of Spain, Trinidad, Feb 23, CANA—Following is Trinidad and Tobago's revamped 18-member cabinet:

- Prime Minister and Minister of the Economy—A.N.R. Robinson.
- Finance Minister—Selby Wilson
- Energy—Senator Herbert Atwell.
- Food Production and Marine Exploitation—Dr. Brinsley Samaroo.
- Attorney General—Anthony Smark.
- Justice and National Security—Selwyn Richardson.
- Labour, Employment and Manpower Resources—Dr. Albert Richards.
- Environment and National Service—Lincoln Myers.
- Social Development and Family Services—Gloria Henry.
- Health—Dr. Emanuel Hosein.
- Planning and Mobilization—Winston Dookeran.
- External Affairs and International Trade—Dr. Sahadeo Basdeo.
- Industry, Enterprise and Tourism—Ken Gordon.
- Works, Infrastructure and Decentralisation—Dr. Carson Charles.
- Settlements and Public Utilities—Pamela Nicholson.
- Education—Senator Clive Pantin.
- Sport, Culture and Youth Affairs—Jennifer Johnson.
- Minister without Portfolio—Dr. Bhoe Tewarie.

Former Junior Minister in the National Security Ministry, Joseph Toney, is to be moved to Robinson's own office and given special responsibility for the civil service—a post Smart previously held.

Former Sports Ministry Parlilamentary Secretary, Ken Butcher, is to be moved to Robinson's office.

*** Warrant Requested for Arrest of E. Legorreta**
32480059 Mexico City LA JORNADA (Special Supplement) in Spanish 3 Jan 89

[For related reporting see JPRS REPORT: LATIN AMERICA of 14 Oct 88 (JPRS-LAM-88-036) p 20 and 12 Sep 88 (JPRS-LAM-88-032) pp 26-27]

[Text] After a year in which over 300 criminal charges were brought against stock brokerage firms, and despite the strong defense made for them by former Finance Secretary Gustavo Petricioli Iturbide, the Office of the Attorney General of the Republic [PGR] requested that the judge concerned issue a warrant for the arrest of Eduardo Legorreta Chauvet, president of the Administrative Council of the Stock Trading Brokerage House [OBSA], some of its employees, and several board members of securities agencies, since the commission of 19 crimes in both the common and federal jurisdictions has been convincingly proven.

According to preliminary investigations Nos 2379/SC/88, 748/SC/88, and 2267/88 (documents in the possession of LA JORNADA), initiated by the Office of the Attorney General of the Republic, and signed by the PGR director on that level, Antonio Villada Morales, the authorized judge was requested to issue a warrant for the arrests of the following persons: Eduardo Legorreta Chauvet, Elias Aziz le Tayf, Guillermo Stein de Velasco, Jaime Gonzalez Rosas, Jose Ignacio Moreno Oliveros, Javier Quijano Baz, Juan Carlos Fernandez Cueto, Silvestre Diaz Miranda, Hector Hugo Burgos Esparza, Hector Angel Rodriguez Acosta, Juan Fernando Calvillo Armendariz, Juan Antonio Gonzalez Remis, Reinaldo Martin Tefell Reyes, Salvador Arellano Sanchez, Jose Francisco Gonzalez Franco de la Pesa, Antonio Davila Uribe, and Jose Gerardo Gonzalez Rosas.

Included among the crimes committed by those members of the securities exchange world, as proven by the Office of the Attorney General of the Republic, are the forging of documents and administrative fraud possibly amounting to 2 billion pesos according to the experts; exercise of functions which, based on the Constitution, may be performed only by national credit establishments; tax fraud; and the crime categorized in Article 52 bis of the Stock Market Law, stipulating that: "Administrators, officials, employees, or agents empowered to engage in operations with the public, in a stock brokerage firm, who deliberately make use of funds or securities, credit instruments, or documents cited in Article 3, received from the clientele, using them for purposes other than those contracted for by the latter, will be punished with a prison sentence of from 2 to 10 years, and a fine of from 1,200 to 12,000 days' salary." All of the crimes which were committed call for prison terms of 20 years.

Legorreta's Statements

Eduardo Legorreta Chauvet, president of the Administrative Council and majority shareholder in the Stock Trading Brokerage House, refused on two occasions to heed the summons issued to him by the Public Ministry to appear before that juridical authority. The third time, on 3 November, the tycoon had to make his statement to the Public Ministry clad in shorts, because Federal Judicial Police agents went to his residence to fetch him for the appearance.

So, in rather unusual clothing, the board member was made "jointly liable for the policies of a general nature to be pursued in all types of securities operations and those germane to the stock brokerage firm, including the ones involving loans or credits requested by OBSA account holders," as ordered by that Administrative Council.

Previously, on 31 October 1988, the stock broker had responded to another summons issued to him by the Public Ministry; on that occasion he declared: "I am unaware of any operational action associated with the other departments and directorates comprising the stock brokerage firm, because each department has its own functions.... There is a Credit Department which is responsible for handling all the credit contracts concluded with the clientele.... I know nothing about the contracts... The Internal Auditing Department or the Credit Department, or possibly the Legal Department could inform you on that.... I have no information on anything relating to contracts, and whether or not the forms for them have been filled out."

On 3 November 1988, Legorreta Chauvet, aged 45, stated that, in view of the violations of the law committed by the Stock Trading Brokerage House, "the client made a mistake by not having complained when he received his statement of account." He also claimed to be the one "responsible" for the policies to be pursued regarding "loans or credits requested by PBSA account holders"; he admitted that some of those loans were arranged "verbally," while noting that the Stock Trading Brokerage House appeared as a beneficiary and executor of that money, a situation which runs counter to the Securities Market Law.

The president of the OBSA Administrative Council, a long-time securities market expert, claimed not to know "whether there is a circular letter (from the National Securities Commission [CNV]) allowing unauthorized consultants," adding: "But I am virtually certain of never having received permission for this before 19 October 1987 (the beginning of the 'crash'), and I don't know whether or not it was received after that date." This stock brokerage firm was one of those most severely penalized by the National Securities Commission for the presence of agents, account executives, and consultants who were not authorized by law. Nevertheless, the stock broker maintained: "CNV is the one governing the criteria, through circular letters...therefore, we attach the greatest possible significance to it."

Sergio Garcia Ramirez' Request

On 19 November 1988, the then attorney general of the republic, Sergio Garcia Ramirez, sent official memorandum No 269/88 to the then finance secretary, Gustavo

Petricioli Iturbide, noting that, in April 1988, the PGR had notified the SHCP [Secretariat of Finance and Public Credit] of "the existence of several charges regarding actions that might constitute crimes based on the terms of the Securities Market Law."

He declares: "I have been informed that the Federal Public Ministry agents who looked into these matters think that, in several instances, there is sufficient evidence to consider application of the penal regulations. The opinion is based on and specified in preliminary judgments concerning the decision that the Public Ministry would have to make on the appropriate occasion."

He also explains: "What's involved is the submission of cases to the judicial authorities, subject to the cases being declared appropriate for such action in the petition—if so judged—drawn up by the Secretariat of Finance and Public Credit, with the concurrence of the National Securities Commission, based on the terms of Article 52 bis 2 of the aforementioned Securities Market Law. The documentation relating to the aforementioned matters is at the disposal of whomever you (Petricioli Iturbide) would like to name, if you consider it suitable."

Annexed to the official memorandum sent by Garcia Ramirez to the then finance secretary is a list of 35 charges brought against stock brokerage firms and certain private individuals considered by the PGR to have been involved in crimes in the common and federal jurisdictions. Fourteen of these relate to the Stock Trading Brokerage House, four to Mexico, four to private entities, two to Abaco, two to Prime, two to Inversora Bursatil [Stock Market Investment], and one each to Americana de Inversiones y Valores [American Investments and Securities], Absa, Recursos Privados y Mercantiles, S.A. de C.V. [Private and Commercial Funds, Mutual Fund], Invermexico, Fimsa, Inverlat, and CBI [not further identified].

In all instances, the Office of the Attorney General of the Republic had sent to the Office of the Federal Attorney for Fiscal Matters [PFF] official memoranda requesting information on the aforementioned cases. In most of the investigations, as of 19 November 1988 the PFF had not responded to the PGR's requests.

The Office of the Federal Attorney for Fiscal Matters did not reply until 29 November of the same year, commenting only on preliminary investigation No 2267/Sc/88, relating to a charge against the Stock Trading Brokerage House. In its message, signed by Attorney Miguel Valdes Villarreal, the PFF claimed: "The documentation involved should be analyzed based on a particular regulation contained in both the general mercantile and securities legislation, and in secondary provisions of the National Securities Commission and the internal regulations of the Mexican Securities Exchange [BMV] per se." And it stressed that the Secretariat of Finance and Public Credit "has no records available on investigations per se."

Gustavo Petricioli Iturbide's Defense

A day before the reply from the Office of the Federal Attorney for Fiscal Matters to the PGR, 28 November, the then finance secretary, Gustavo Petricioli Iturbide, sent to Sergio Garcia Ramirez official memorandum 101-1048, in which the head of national finances reiterated that his office "has no records available on investigations per se"; he noted that, "The study of the cases entails the need to consider the accounting of the stock companies, which is particularly complex in comparison with that of business firms in general; this becomes obvious when as soon as one realizes that each has a daily operations assignment system. It is also essential to weigh the evidence making possible a personal charge of the respective liabilities."

He also remarked that the method of conciliation between investors and stock companies, through the National Securities Commission, has proven useful for settling disputes. "In many cases, the parties have been reconciled with the bargaining boards; in others, the aforementioned commission has handed down decisions in favor of investors, and in still other cases, those concerned have obtained direct satisfaction of their demands and have waived their claims; this proves that common law methods are real means of defense to which investors may resort."

Petricioli Iturbide explains that, in such cases, "It is essential to maintain a fitting balance between the need to protect the public image of the securities market and the proper respect for the rights and guarantees of private entities, in other words, between the scope of institutional crimes, the protectors of public interests, and the range of enforcement in proprietary crimes prosecuted through a charge or complaint from private individuals; these are matters that the Secretariat of Finance and Public Credit will take into consideration for purposes of deciding what is legally in order."

Finally, the letter from Petricioli Iturbide to Garcia Ramirez notes that, "Once the proper study has been made of the records pertaining to each of the cases, the Secretariat of Finance and Public Credit will issue the official memoranda stating the pertinent decision."

INDEVAL: What the Wind Carried Off

The National Institute for Securities Deposit (INDEVAL) is an agency originally created by the government to regulate capital stock movement, the ownership of securities, and the guarantee of their existence. Through an initiative of President Miguel de la Madrid, approved by the Chambers of Deputies and Senators (in the latter instance, legislator Hugo B. Margain was the one responsible for making the defense of that initiative in favor of privatization), INDEVAL came under the total control of

private entities (stock companies and the Mexican Securities Exchange) as of 2 January 1987, and since then "the wind has carried off" its records, movements, and allocations.

On 14 July 1988, INDEVAL's legal manager, Ramon Esquivel Avila, admitted that the institute did not have the documents that the public accountant, Carlos Miguel Hernandez H., had requested nearly a month earlier. In his response, the official remarked: "This institution cannot provide the data requested, because it must keep the securities market secrecy of its depositors, in this case, the stock brokerage firms, and also because we have no data on their contracts with their clients." The document was written with a copy sent to the general manager, Manuel Rodriguez Rocha.

In the investigations by the Office of the Attorney General of the Republic regarding the capital market operations of stock brokerage firms, the Public Ministry agent, Rosa Carmona Roig, together with accounting experts specializing in the securities area and officials from the National Securities Commission, made a visual inspection and ministerial attestation of the stock shares deposited in INDEVAL associated with the Stock Trading Brokerage House, Acciones y Valores [Stock Shares and Securities], Mexicana de Inversiones y Valores [Mexican Investments and Securities], and Acciones Bursatiles de Mexico [Stock Market Shares of Mexico].

The visit to INDEVAL's vaults, located in the basement of the Bank of Mexico's Guardiola Building, was aimed at learning whether the number of stock shares declared by the securities market institutions corresponded to the assets deposited in INDEVAL. The results, according to the records in the LA JORNADA's possession, were that "all the stock brokerage firms' securities have been issued with no guarantee of marginal accounts nor any other guarantee."

The document explains that, although Article 101, Section 2, of the Mexican Securities Exchange regulations stipulates that, in credit operations, the guarantees must be established in INDEVAL, in an account to cover those operations, at the disposal of the BMV itself, "in fact, the Mexican Securities Exchange has never requested a special account of INDEVAL for the guarantees relating to those operations; and there are in INDEVAL only two overall accounts in which the exchange makes its deposits without determining item amounts."

In this connection, on 15 November 1988 the Public Ministry agent, Rosa Carmona Roig, accompanied by six other such agents and an expert on stock exchange matters from the PGR, Eduardo Herrerias, as well as two accountants from the National Securities Commission, appeared at the headquarters of the Mexican Securities Exchange to request a group of documents concerning the disappearance of records.

Antonio Villarruel Lagos, BMV's operations director, received the group of PGR representatives, telling them that, at the present time, "it is impossible to show what has been requested, because the personnel working in the Credit Operations area have been discharged, and I shall have to train personnel to locate the documentation and information required." The BMV official promised to deliver it the following day. Guillermo Nunez Herrera suddenly appeared at the meeting, claiming to be an agent from the Securities Exchange Council. It should be noted that this individual was vice president of the National Securities Commission during the administration of Lorenzo Peon Escalante, and left the position when the latter was removed.

On 16 November, in the presence of the same representatives of the law, Villarruel Lagos claimed: "INDEVAL cannot allow stock shares issued with a guarantee to be identified"; he declared: "The information as to which stock shares relate to a guarantee of certain operations and which relate to the operations per se cannot be broken down by the exchange."

Nevertheless, before making that statement, Villarruel himself had claimed that, "The Mexican Stock Exchange reports to INDEVAL, by means of magnetic tape, on the credit operations carried out by the stock brokerage firms, and the BMV retains individual control over those operations."

The Catalogue of Integrity

Among the over 300 charges from investors against stock brokerage firms, in the possession of the Office of the Attorney General of the Republic, there is what experts consider to be the "catalogue of integrity," because it includes a list of 19 crimes all committed by the Stock Trading Brokerage House.

The list of illegal acts is as follows:
1. Freezing of its own stock holdings, prohibiting the client from having free access to his portfolio.
2. Loans of Federal Treasury Certificates (CETES) that have not been withdrawn from its account, without any advantage for the investor.
3. The Stock Trading Brokerage House bought from its clientele, without authorization, stock shares of OBSA itself, at prices imposed by the securities market institution, without consulting the investor.
4. Transfer of securities without express instructions.
5. Tampering with the accounting records to conceal the true nature of the CETES loan operations.
6. Purchase of securities that have not been ordered.
7. Signing of blank loan and collateral pledge contracts.
8. Purchase of stock shares from the stock brokerage firm discretionally, through loans.
9. Tampering with CETES loan contracts.
10. Imposition of CETES loans to pay for margin credits and for the purchase of stock shares from the Stock Trading Brokerage House.
11. Shortage of cash in the investors' accounts.

12. The stock brokerage firm took the clients' orders, but actually purchased what suited the securities market institution itself.

13. No acknowledgment of credit operations with certain stock shares, arguing the non-existence of signed contracts.

14. Losses caused to the investor by the "short" sale of specific securities, and their subsequent purchase to cover that "short" sale.

15. Sale of stock shares that were not owned by the client but that affected the investor's statement of account.

16. Operations not registered with the Mexican Securities Exchange.

17. Sale of stock shares (owned by the client) through a different stock brokerage firm.

18. Discount of commissions for the sale of securities that were pledged as collateral.

19. Withdrawal of funds without the investor's authorization.

This "catalogue of integrity" has already been categorized by the Office of the Attorney General of the Republic as evidence of the crimes committed by the board members of the Stock Trading Brokerage House. The records consist of over 1,000 pages, including, among other things, opinions of handwriting and accounting experts, and 22 different annexes (Stock Trading Brokerage House internal documents, photostatic copies of checks, statements of accounts, etc.).

A report from the PGR experts sent to the Public Ministry responsible for the investigation, bearing official memorandum No 24580, dated 30 November 1988, emphasizes that, because of various unlawful acts, "the client suffered a total loss of 3,997,295,226 pesos," stating that "the Stock Trading Brokerage House's accounting records were tampered with in accounting for the operations described in these findings."

The accounting experts who signed the records, Eduardo Herrerias Aristi, Jose de Jesus Rodriguez Gutierrez, and Yolanda Perez Perez, explain that "the financial information from the Stock Trading Brokerage House for the period May-November 1987 (year of the "boom" and the "crash") is incorrect," noting that the assets and memoranda accounts affected are as follows:

1. Clients, margin accounts.
2. Securities received in safekeeping.
3. Depositors of securities in safekeeping.
4. Securities and documents received pledged as collateral.
5. Depositors of securities and documents pledged as collateral.
6. Securities of clients delivered in safekeeping.
7. Receivers of clients' securities in safekeeping.
8. Securities of clients delivered pledged as collateral.
9. Receivers of clients' securities pledged as collateral.
10. Credit operations collectible from clients.
11. Securities to be delivered from clients for credit operations.

The Untouchables: OBSA Abducts Judicial Agents

Nevertheless, the violations committed by the Stock Trading Brokerage House were not confined to unlawful acts with stock shares and securities. On 11 November 1988, the private police in OBSA's service abducted, for over 45 minutes, taking photos "for its personal files," the Federal Judicial Police [PJF] commander, Juan Granados Martinez, and the agent from the same corps, Jose Salvador Flores Leal, who had appeared with an order from the pertinent judge at one of the offices of the stock brokerage institution (at No 8 Rio Nazas Street, in the Colonia Cuauhtemoc) to conduct various investigations. The PJF representatives drew up an official informational record attesting to the act.

To avoid commentary, we are reprinting the account contained in the record of the appearance of the OBSA's deputy legal director, Jose Gerardo Gonzalez Rosas, before Josefina Mondragon Lerma, the Public Ministry agent, on 22 November 1988. The aforementioned police "appeared at the Stock Trading Brokerage House's offices located at 8 Rio Nazas Street in the Colonia Cuauhtemoc at 1045 hours on 11 November, and were locked in those offices, and prevented from leaving for a period of approximately 45 minutes."

The document specifies: "A clerk informed them that, at the order of the chiefs, they could not be allowed to leave; furthermore, an employee with the surname Orvallanos (apparently Eduardo Legorreta Chauvet's personal chauffeur) took photos of them, claiming that this, too, was based on orders from superiors."

With regard to the foregoing, Gonzalez Rosas said: "I held a telephone conversation with the aforementioned second commander, who gave the reason for his presence, claiming that certain information was being sought on the residences of some employees. Commander Granados talked to me by phone on 11 November, about 1130 hours, informing me of the reason for his visit, namely, to request the presentation of several records and of one or more individuals.

"And he was told that some time would be needed to locate those records, as well as the person or persons sought. He agreed to having this presentation take place later, directly at the Office of the Attorney General of the Republic. I also informed him that it would be necessary to search the office of criminal attorneys hired by the stock brokerage firm. The aforementioned commander graciously agreed to this request, even telling me that he would leave a copy of that official memorandum in the offices in which I was located."

The records continue as follows: "At no time did the undersigned issue an order for locking the doors of the building in which the Federal Judicial agents were located, nor did I have any knowledge of this. Rather, up until now, when the report of the incident has been read to me, I was also unaware of who ordered the taking of

photos of those agents with a telephoto lense. This surprises me, because I held a direct conversation with the aforementioned second commander, and that person at all times acted cordially toward the deponent, never acting in an aggressive or authoritarian manner, much less a demanding one; so much so that Commander Granados himself told me that he would leave me a copy of the order for the aforementioned search and presentation, so that I would have an exact knowledge of what was being required by this Attorney General's Office."

He adds: "I told him that I would later comply with it through the aforementioned office because the deponent, owing to his business, could not leave the Stock Trading Brokerage House, and no secretary, nor Rodolfo Morari, who is human resources manager and who dealt with the aforementioned agents, commented that he had acted in an arrogant or demanding manner."

Gonzalez Rosas claims that Morari told him "that there were some Federal Judicial agents there, and I don't remember whether he told me that he wanted them to deal with me or that I should talk with them on the phone. So, I told him to put me in touch with the commander. He explained to one of them on the phone. But he never told me that they were aggressive, much less that they had brought him a search warrant, or attempted to seize records violently.

"Later, when I finished talking with Second Commander Granados, at approximately 1145 hours, I contacted Alonso Aguilar to have him handle the matter directly as an outside attorney for the Stock Trading Brokerage House, informing him of the telephone conversation that I had held with Commander Granados. And that attorney went in person to pick up the official memorandum in question; for this reason I state again that I don't know who issued the order to prevent the aforementioned agents from leaving. And, furthermore, I don't know that their leaving was prevented, because I wasn't present."

According to the record that Commander Granados and agent Flores Leal prepared in the Office of the Attorney General of the Republic, which they submitted to the Public Ministry agent, Mondragon Lerma, the private police in the service of the Stock Trading Brokerage House abducted them, even though they were carrying a search warrant legally issued by the pertinent authorities.

Others Implicated Declare 'It's All Stock Brokerage Practice'

So that the Office of the Attorney General of the Republic might categorize the 19 aforementioned crimes committed by certain stock brokerage firms and particularly by the Stock Brokerage Trading House, and could request the issuance of an arrest warrant for the accused, statements were required from various stock brokerage officials who, based on the information that they contributed, were left included on the "list" themselves.

Jaime Antonio Gonzalez Remis, OBSA's external securities operations director, made the following statement to the Pubic Ministry agent, Josefina Mondragon, on 10 November 1988, according to the pertinent record: "Let the deponent state whether the Stock Trading Brokerage House is authorized to be a securities depository. Answer: 'At the clients' instruction, yes.' Let the deponent state whether it was or is common for documents to be allowed to be signed blank by clients. Answer: 'It is stock brokerage practice, because this is a business based on trust. I might add that the documentation and contracts concluded in the stock brokerage firm must necessarily be filled out properly by the promoters.'"

"Let the deponent state whether the contracts concluded in the accounts were discretionary. Answer: 'I don't know.' Let the deponent state whether the employees or officials of the Stock Trading Brokerage House could be bondholders. Answer: 'If they have funds, yes; because they cannot be takers of credits or loans from the clientele.' Let the deponent state whether it was customary to block the accounts of clients. Answer: 'For accounts pledged as collateral it was not customary; but it became customary in 1987, about May or June, because of the number of securities pledged as collateral that were issued starting at that time. And this was due to a policy of the stock brokerage firm and the policies ordered by the steering committee, comprised of the group of board members.'"

"Let the deponent state in what respect the president of the administrative council intervenes in the policies for all the stock brokerage firm's operations. Answer: 'The president of the administrative council proposes the policies to the council, and the latter either approves or rejects them.'"

Hector Hugo Burgos Esparza, executive director of the capital market, appeared before the same Public Ministry agent on 28 October 1988:

"Let the deponent state what blocking the accounts of clients means. Answer: 'When a client has not paid the monthly interest incurred by a margin credit or has not made payment for a credit operation at the time that it falls due, account blocking means that, for the protection of the bank that granted the credit, the client cannot withdraw assets from the defaulted account.' Let the deponent state whether the accounts of clients were blocked based on orders from a certain person, and on what date. Answer: 'I don't remember.' Let the deponent state who was responsible for issuing the order. Answer: 'The Stock Trading Brokerage House's finance or auditing area.' Let the deponent state whether clients' accounts could be blocked before 19 October 1987. Answer: 'Accounts which applied for and procured margin accounts or credit operations could always be subject to blockage if they failed to pay for the credit or the interest on time. I would like to add that the stock brokerage firm would grant a credit only out of uncommon carelessness.'"

Reynaldo Martin Teffel Reyes, the Stock Trading Brokerage House's accounts promoter, appeared before the same Public Ministry agent on 19 October 1988: "Let the deponent state why he deposited in account No 29477-2 the sum of 45 million pesos which he claimed to have been lent to him by a client. Answer: 'Precisely because I used that loan for an exclusively personal purpose or for personal investment.' Let the deponent state whether the stock brokerage firm could carry out triangular operations, in other words, procure loans for its clients through another stock brokerage firm. Answer: 'I don't know whether or not it could carry out such an operation, because that is a function of a different area.'"

This person implicated in the illegal acts was questioned about several accounts in which he appeared as a promoter and, in this regard, he claimed not to know "anything associated with stock exchange movements of such accounts" which, he said, were opened without his consent. He also claimed not to have heard of them until October 1987, "when I returned from a 10-day leave of absence."

In connection with the foregoing, the president of the National Securities Commission, Patricio Ayala Gonzalez, sent a message to the federal attorney for fiscal matters in which he warned that the accounts cited by Teffel Reyes were of a "non-discretionary" nature; in other words, the promoter must operate based strictly on authorization and precise instructions from the investor.

The client involved in this fraud remarked: "They never asked me for authorization for the vast majority of operations with my accounts and my funds."

BMV's Story

The compilation of evidence contributed by those who were defrauded (most of it gathered in the office of Attorney Cesar Fentanes Mendez and the Investors Association Against Stock Brokerage Firms) to the National Securities Commission, the Secretariat of Finance and Public Credit, and the Office of the Attorney General of the Republic, as well as the investigations stemming from it, prompted no change of position on the part of the securities exchange authorities.

In their view, according to the report entitled "Mexican Stock Market in 1987: a Retrospective View," what occurred during that year "was not an isolated phenomenon, but on the contrary, was part of a simultaneous worldwide event." And they stress: "Despite the 1987 decline, the investors in the Mexican stock market may have accrued real profits both in pesos and dollars that could hardly be surpassed by any other market in the world, whether it be a money or capital market."

They also noted that the explosive growth of the stock market "within a relatively short time, reduced the efficiency of the professional services rendered by the middlemen on a regular basis, and hence their image and relations with some of their clients came to be negatively affected."

By way of conclusion, the BMV document advocates "the need to protect holdings, whether they be institutional or individual, large or small, under favorable or unfavorable conditions. They require a suitable diversification in portfolios that will make it possible to balance the risks that are taken. In this context, the BMV continues to be one of the suitable alternatives for attaining those objectives."

The "Code of Professional Ethics of the Mexican Stock Market Community" maintains that, "Any natural or juristic person who has knowledge of any violation of the regulations in this code will take action to report the commission of said violations to the authorized body." And Article 20 of these regulations stipulates that, "When the handling of discretionary accounts is involved, the professionals must in all instances seek the greatest benefit for their clients, subordinating their own interests to the latter's interests." So it says.

*** July-December State Electoral Races Surveyed**

32480071 Mexico City PROCESO in Spanish
No 636 9 Jan 89 pp 6, 8-11

[Report by Pascal Beltran del Rio; for related reporting on Oaxaca, see FBIS DAILY REPORT: LATIN AMERICA of 9 Dec 88 (FBIS-LAT-88-237) pp 16-17]

[Text] A national consultation called by the Interior Secretariat to reform existing electoral legislation and local elections in almost half of the country's states will highlight the political year that officially begins on Monday the ninth when the Federal Electoral Commission (CFE) holds its first session during this 6-year term.

Between this July and December 1 governorship, 1,155 town councils and 359 congressional seats will be at stake in a total of 14 states, 7 of which could be considered highly risky at the ballot box for the ruling party.

On the one hand, there will be elections in Baja California, Chihuahua, Durango, Guerrero, Michoacan, Sinaloa and Veracruz, states in which PRI [Institutional Revolutionary Party] was defeated or heard the opposition's footsteps on 6 July. On the other, Aguascalientes, Campeche, Oaxaca, Puebla, Tamaulipas, Tlaxcala and Zacatecas will be the scene of elections that are felt to be mere formalities in spite of the gains, even significant gains, that PAN [National Action Party] and the National Democratic Front (FDN) could post in those states.

On the decline in the former group of states and holding steady in the second, the Institutional Revolutionary Party will undoubtedly have a hard time countering the aftereffects of the most recent federal elections, while the

right- and left-wing oppositions will perhaps have their best chance to consolidate the ground that they gained 6 months ago. The immediate backdrop, however, is not that encouraging. Four of the states that will hold elections this year recently chose new mayors. During the last quarter of 1988 Veracruz, Tlaxcala, Campeche and Zacatecas held elections that even today the opposition is challenging and calling fraudulent.

And while the "national dialogue" promoted by Fernando Gutierrez Barrios as of last 19 December is moving forward unenthusiastically, several states are on the verge of concluding their own "state dialogue" with a view towards the upcoming elections. With the electoral reforms as the focus of debate, almost all of the states that will headline the political year have stolen a march on the interior secretariat's appeal and have made their own changes in electoral legislation. The hallmark of the procedure, however, has in most cases been monologue rather than dialogue.

A change in the date of the elections, an increase in the number of state congressmen, the formalization of subsidies for the parties, the creation of electoral dispute tribunals, a harder line approach in the formation of electoral bodies and obstacles to the nomination of coalition candidates have, in many cases, been the response of state governments and state congresses, which are controlled by PRI, to the democratizing appeals of the opposition. In some other cases they have not even listened to them.

Without PRI's electoral prospects mattering much, the reforms have been or are being passed in secret and are being portrayed as the outcome of popular forums or consultations. The ruling-party machine is getting oiled up for the second half of the year with bills or amendments that are swiftly drawn up and voted on in state congresses. Meanwhile, the unarmed opposition adapts to the changes or mobilizes, the former more often than the latter.

Critical States

The way in which PRI will handle the elections in the "critical" states has been practically decided for it.

The four municipalities in the state of Baja California (Tijuana, Mexicali, Tecate and Ensenada) will elect their town councils on Sunday 2 July. PAN won 3 years ago in Ensenada, which is currently run by Ernesto Ruffo Apple. In addition, a new governor will be elected for the 1989-95 term, as will the 19 members of the state congress, 15 of of whom are from single-member districts.

The state's electoral legislation is included in the constitution, under the heading of temporary articles, and has not been altered since it was enacted. According to Edmundo Estrada, PAN's secretary of electoral action in Baja California, a reform of the electoral law is "highly unlikely. The government of Xicotencatl Leyva never proposed it, and I doubt very much whether whoever replaces him will promote the changes that are required." He said in an interview that although the deadline for submitting proposals to change the rules has practically run out, PAN would stress "the need to limit state intervention in the electoral processes."

The PAN leader indicated that the main shortcomings in the law were the legal existence of "elector auxiliaries," who in practice function "as agents of fraud"; the 7-day deadline for getting the electoral packages to the vote-count centers; and the makeup of the State Electoral Commission (CEE), "where PRI and the government have a broad majority over the other parties." He reported that among the proposed changes that PAN will submit over the next few days are ones to restrict the makeup of the CEE to one representative per party, to shorten the period for certifying the elections, to appoint the chairmen of municipal and district committees by ballot and to do away with the elector auxiliaries.

In the thick of a political crisis over the removal of Governor Leyva, Baja California, one of the states in which PRI officially lost on 6 July, could be the scene of a tough battle for the governorship. The victorious FDN, however, will have to overcome the splits that cost it federal senate and congressional seats in the state. In the case of town councils, PRI could again lose Ensenada to PAN and perhaps Mexicali.

In Chihuahua, amid strong pressure from the opposition parties, the Congress, which is completely PRI, last 30 December passed the State Electoral Law proposed by Governor Fernando Baeza Melendez, who felt that it was "new electoral legislation in keeping with the needs and political development of our state." In contrast, the opposition strongly criticized the law. The FDN said that "it is an antidemocratic law that encourages a two-party system and sidelines the Left," and PAN, while acknowledging that it represents significant progress, felt that "it is not a complete reform."

The passage of the new law was preceded on 21 December by an amendment to the state constitution increasing the number of congressmen from 18 to 28 as of the next legislature. The Electoral Law is the first autonomous law of its kind, and it repeals the "Political Parties and Electoral Processes" section of the Administrative Code of Chihuahua, which regulated the controversial local elections of 1986 and which Baeza himself termed "obsolete."

Thus, 67 town councils will be elected on 2 July, along with 18 congressmen from single-member districts and 10 who will be chosen proportionally. The new law overhauls the State Electoral Commission, reducing the number of representatives of the government and of the Congress from 8 to 2 and creating 30 more seats, to be apportioned among the parties in accordance with their

vote at the previous election. Moreover, polling places must be set up in public buildings, and the vote tellers will be appointed by the political parties.

According to Roberto Pinocely Proal, the PAN secretary general in Chihuahua, the white and blue party ought to triumph in the state's most populous municipalities and win several of the electoral districts. PRI's chances of easily hanging on to important positions are remote, especially in places like the capital, Ciudad Juarez and Parral.

A day after the Chihuahua electoral legislation was enacted, the Durango Congress passed the State Electoral Code, making the state the second to change the rules during the present federal administration.

In this case, however, the opposition on both sides felt that the new law represented "relative gains, consistent with the current balance of power in the state." This was the view of Jaime Meraz, an FDN leader in Gomez Palacio, and Victor Hugo Castaneda, a PAN state congressman. Both contended that the best thing would be for "the government to stop being judge and jury in the electoral processes and for the citizenry and the political parties to run the elections. The future task will be to wrest control of the elections from the government."

Unlike what happened in Chihuahua, the bill to create the State Electoral Code of Durango was preceded by regional forums in mid-October in different cities around the state. Although the opposition was not completely satisfied with the new law, it was able to take part in drafting the bill. Lacking support from the central government, Governor Jose Ramirez Gamero had to ingratiate himself with the political parties. They will now have equitable participation in the mass media and similar prerogatives. The number of state congressmen will increase from 15 to 25. In addition, the number of councilmen per municipality will increase and they will be designated by proportional representation.

The elections on 9 July will give rise to 39 new municipal governments, including in recently created Nuevo Ideal. Numerically speaking, PRI will have serious difficulties retaining the five municipalities of the lakes region of Durango (Gomez Palacio, Lerdo, Tlahualilo, Mapimi and Nazas), which could come under the control of the FDN, and could lose to PAN in the state capital.

Guerrero Will Not Be a Cakewalk

Guerrero will not be a cakewalk for the ruling party either. The FDN practically dominates the Costa Grande region and will be very hard to beat in Petatlan, Icoyuca de Benitez, Benito Juarez, Atoyac de Alvarez and Tecpan de Galeana. Cardenist activists occupied the city halls in the first two between last July and December to protest the results of the federal elections and to demand the removal of mayors Antonio Hernandez and Mario Rios, which they achieved.

The FDN could also score victories in Tlapa de Comonfort and Taxco at the 3 December elections, when 75 town councils are elected and 36 local congressmen are voted in.

The 1988 reforms of the Electoral Law of the State of Guerrero, which had taken effect the year before, boosted the number of state congressmen by 10 but erected obstacles for the opposition's efforts by requiring, for example, 15 percent of the municipal vote to be entitled to a councilman in city hall. Thus, in Acapulco, to cite one of the absurdities of the law, 105 percent of the vote is needed to be entitled to 7 councilmen. Moreover, the law contradicts itself by limiting the maximum number of councilmen of a losing party to two.

In other areas, the law does not provide for penalties for ballot-box theft and insures a PRI majority on the State Electoral Commission. It limits the election campaign to the period from 16 October to 30 November and awards only 1,500 pesos in subsidies for each vote that the parties get. The state leader of the Mexican Socialist Party (PMS), Efrain Bermudez Rivera, told PROCESO that over the next few days PAN and FDN would begin a campaign to promote a debate on "the need for further reforms in the electoral law."

Michoacan will undoubtedly be the toughest state for PRI. Besieged by the Cardenist opposition, the government of Genovevo Figueroa does not yet seem to have found an answer to the problems that prompted the departure of Luis Martinez Villicana from the state. The elections on 2 July and 3 December to elect 24 congressmen and 113 municipal slates, respectively, will be the acid test for both sides.

In the view of Fidel Marin, an FDN leader, the Electoral Law of the State of Michoacan contains several gaps and weaknesses, which "it would be worthwhile to correct. It would be beneficial to adapt the makeup of the electoral bodies to the new political realities in the state," he argued.

The electoral law has been untouched since 1983, when reforms were introduced to bring it in line with the Federal Law on Political Organizations and Electoral Processes (LOPPE).

According to Marin, it is highly unlikely that the electoral law will be amended before the July elections, inasmuch as the Federal Electoral Commission would have to meet during the first half of January. "We have learned that the state government has wanted to promote reforms. But an attempt to close off the process, to erect obstacles to the registration of coalition candidates, for example, could only be understood as a major provocation. We would immediately oppose it."

PRI in the Countryside, PAN in the Cities

In Sinaloa, where the 1986 elections left behind "a resentful people," in the words of PAN state leader Rafael Morgan Rios, the electoral reforms have gotten nowhere. In mid-December Governor Labastida Ochoa stated upon leaving a meeting with President Carlos Salinas de Gortari that modifications of the Electoral Law of the State of Sinaloa "were necessary."

On Sunday 5 November elections will be held for the state's 18 town councils and for 29 state congressional seats. If reforms are enacted, they will have to be approved before March, when the State Electoral Commission begins meeting to organize the elections.

Morgan Rios reported that "in January" PAN would submit a package of modifications of the law to the state congress. According to him, the modifications will have to include: the creation of an electoral tribunal as the highest body for organizing and certifying the elections. It will consist of five persons independent of the government, proposed by the political parties and chosen by lot. The tribunal will have to have its own budget. In addition, a state voter-registry with no ties to the government will be created; the new roll will be reviewed by the political parties. Finally, subsidies for the parties will be ended, and penalties established for violators of the law, who must be officially indicted.

While the situation does not seem that critical for PRI in the Sinaloa countryside, PAN will be a strong contender mainly in the cities.

Veracruz is one of the four states that will hold elections again in 1989 after staging them in 1988. The opposition managed to win only 15 of the 203 municipalities in the state at the elections last 2 October. In the wake of the elections, however, came an endless list of complaints, which began with the promulgation last July of the State Electoral Code, thanks to which electoral alliances were practically banned. This provision, contained in Article 82 of the code, weakened the leftwing opposition, which had dealt PRI several defeats in the federal elections in the state.

Forty state congressmen will be elected on 6 September to what is the country's largest state legislature. The increase in the number of congressmen from 31 to 40 was also the work of the code, which replaced the Electoral Law of the State of Veracruz that had been in effect since 1985. As of 1991, under the new code, the elections for congresses and town councils will be held the same year.

Eli Herrero, a state congressman from the Popular Socialist Party (PPS), reports that the front's bloc in the Veracruz Congress is pushing for the inclusion of a paragraph in Article 82 "that will make it clear that coalition candidacies are authorized. This was a promise that Dante Delgado made when he was still secretary general of government. Today, as governor, he has to carry it out."

According to the PPS leader, the FDN could still nominate coalition candidates before March. "The law allows it, but the request must be made 6 months before the election. The emblems of the parties would disappear, of course, and that would create confusion, but it could be taken care of with a good campaign. Meanwhile, we will keep on battling to have Article 82 clarified."

Zacatecas, Campeche, Oaxaca, Aguascalientes, Tlaxcala, Puebla and Tamaulipas will hold elections on 5 and 30 July, 6 August, 1 October, 5 and 26 November and 6 December, respectively. The first two will be electing only their congresses, while the rest will have elections for congresses and town councils.

These are the "easy" states for the ruling party. The first and last are regarded as PRI states par excellence. There was a reason why they were the ones that on the average contributed the most votes to Salinas de Gortari's candidacy. Very few of their municipalities are currently in the hands of the opposition.

There is not much to say about electoral reform in these states. In four of them (Aguascalientes, Oaxaca, Puebla and Tamaulipas) the bills to amend the electoral laws are a secret. In Tamaulipas, the reform was suspended when Gutierrez Barrios called for the "national dialogue." In Oaxaca, the first reform of the State Electoral Law, which dates from 1972, is in the works. In Campeche and Zacatecas, the current electoral laws were passed in early 1988 and erect obstacles to opposition efforts. In Zacatecas only half of the councilmen are elected by proportional representation, and the parties can take part only if they run candidates in one-third of the municipalities.

In Tlaxcala, electoral reform has not even been proposed. Nevertheless, the opposition managed to win the municipalities of Xiconhtzingo, Xicotencatl and Mazatecochco at the elections last 20 November.

The CFE, on which the ruling party has a 3-vote, 19 to 16 edge over the opposition, will begin the national consultation for the reform of the Federal Electoral Code on Monday the 9th; the conclusions must be submitted to a special session of Congress that starts in June.

El Salvador

FMLN Gives Mayors 72-Hour Deadline To Resign

PA1902231189 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Feb 89

[Text] This is a special call to mayors participating in the counterinsurgency plans of Mililtary Detachment No 4 in San Francisco Gotera.

We remind them that they must publicly announce their resignation within 72 hours. This specifically applies to the mayors of Joateca, Perquin, Torola, and San Fernando.

This is a special call to mayors who are currently in San Francisco Gotera, the departmental capital; particularly to the Mayor of Perquin Paula Garcia, who has not yet resigned despite the FMLN's calls.

We urge them to follow the examples of the mayors of Meanguera, Via El Rosario, Corinto, and Lolotiquillo who have, just as dozens of mayors throughout the country have done, publicly resigned and ceased being enemies of the people.

We make a special call to the mayors of Cacaopera, Delicias, and Gotera, who should publicly announce their resignation before the 72-hour deadline expires.

No trace of the dictatorship's municipal governments, which the Army is not capable of defending, can remain.

Bishop Rosa Chavez on FMLN-Government Meeting

PA2102030189 San Salvador La Voz Panamericana in Spanish 1400 GMT 19 Feb 89

[Homily by San Salvador Auxiliary Bishop Gregorio Rosa Chavez in San Salvador—live]

[Excerpt] [Passage omitted] We will now take a look at some of the events of the week. Now that Holy Week is drawing near, perplexity and uncertainty seem to pervade the people's souls. We are perplexed when we listen to the differing viewpoints on topics such as the results of the presidents' meeting, the elections, and the possibility of ending the fratricidal violence within a relatively short time. We are immersed in uncertainty because, as usually happens after a cease-fire has expired or peace talks have ended, violence has worsened, threatening to smother hope.

We, the archdiocese pastors, were absent for a long week because of our responsibilities to the Latin American church. We attended a coordination meeting of the Latin American Episcopal Council, CELAM, in Bogota. During the meeting, we were able to observe preparations for the CELAM regular assembly, which will bring together some 60 bishops from all over the continent on the island of Curacao early in March. We also saw that preparations are well under way for the 4th Latin American General Episcopal Conference scheduled to be held in Santo Domingo in 1992. This conference will probably discuss the new evangelical program. At the end of our meeting, we issued a press communique on the main topics we dealt with.

Each morning and evening, however, our thoughts raced back to our homeland, from where we eagerly awaited the latest news. These reports, which were scarce and incomplete, give the impression that either good things almost never happen here or that, quite the contrary, peace is just around the corner. Now that I am back, I feel compelled as a pastor to underline some of the causes for hope, because many Salvadorans have become either skeptical or desperate.

The meeting of the presidents of five Central American nations is certainly a sign of hope because a meeting of people is always positive. It remains to be seen how far the accords signed in a peaceful corner in La Paz Department will go. The name La Paz is a meaningful name, because we have been losing hope in this crazy adventure of war and the overflowing of passions, which is typical of our political campaigns. This is why we want to work on this situation together. Each of us must consider this situation with a truly patriotic spirit, seeking the best for all.

Another sign of hope is the political leaders' willingness to regard the FMLN proposal as an opportunity to end the armed conflict. It is true that more than a few are justified in mistrusting this proposal. But this is just another reason for our prayers and sympathy to accompany the dialogue that these political leaders will hold with rebel representatives in Mexico City next week. The Latin American bishops, who met in Puebla, Mexico, 10 years ago, affirmed the nobility and dignity of politics, which was understood to be an activity oriented to consolidate inner harmony and outside security by stimulating sensitive and intelligent actions by politicians for an improved management of the state, the good of all, and the effective achievement of liberty, justice, and equality in a genuine society of participation. We must add that none of the other sectors of the nation should be excluded from this effort.

But how could we ignore the facts that so openly negate this optimistic view? The list of violent actions that occurred during the week is long, grievous, and despairing. These actions include the murders of political leaders, students, and common people; the execution of former fighting comrades by the FMLN; attacks with explosives against political parties' and labor unions' headquarters; and the continuation of sabotage in its various forms. All this paves the way for the most reprehensible abuses by the parties in conflict, as indicated by the reports received at the archbishopric's legal aid office.

In view of this situation, some people's groups have returned to the easy method of occupying churches. The archbishop has talked with UNTS [National Union of Salvadoran Workers] leaders about this and expressed

his concern as a pastor and his desire to find a way to protect both the defenseless and the genuine rights of the faithful. Respect for the churches built by man to worship God should lead us to respect this particular church, which has been suffering the most because of this practice. We will achieve peace only by looking at things from this viewpoint.

Commentary on 'Traitor' Castellanos' Execution

PA2002160989 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2200 GMT 19 Feb 89

[Station commentary]

[Text] Several events took place this past week, including the execution of traitor Miguel Castellanos, that have elicited various reactions from the people. The people reacted in favor of executing this henchman, because the execution not only represents a military victory of the people but a political blow against the traitors and the supporters of the dictatorship.

After his execution, the traitor Miguel Castellanos was taken to the Armed Forces funeral hall. The general staff, and therefore Duarte, have had to include him among their casualties of last week. Of course, neither the government nor the high command has said anything—not because they are ashamed or anything like that, but rather because the execution represents a political and military victory of the people in addition to a warning to all traitors and supporters of the dictatorship.

The execution of the traitor Castellanos is something people's groups were hoping for and expecting. The people praised the operation for both the bold manner in which it was carried out as well as for its meaning. Now, the traitor is where he belongs—in the garbage dump of history.

Venceremos Reports 12-18 Feb FMLN Actions

PA2102023089

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 20 February carries approximately 15 minutes of military reports on recent FMLN actions.

A summary of military actions from 12 to 18 February reports that the FMLN "inflicted 305 casualties in various clashes throughout the country, including an officer from the Prant Invincible Battalion, a lieutenant from Military Detachment No 2, a sergeant from the Jucuaran Battalion, two corporals, and two local commanders." The report adds that there were "51 casualties as a result of four ambushes of military vehicles."

The announcer says that during the past week, FMLN guerrillas "damaged two choppers, two tanks, and two military trucks, and destroyed 200 rifles, a communications base in Sensuntepeque, two radios, and two local command posts."

The report says that sabotage of the regime's economy included "two cotton warehouses with more than 1,000 bales of cotton, a packing house, a processing plant, an ANTEL [National Administration for Telecommunications] office, and a gas station." In addition, FMLN militia and guerrilla units carried out various sabotage actions against the electricity system.

Venceremos gives a list of weapons seized from the "puppet army" during the past week, including "30 U.S.-made rifles, 13 PRC-77 radios, 7,500 round of ammunition, and a large amount of military supplies."

The rebel station also reports that "at 1500 on 16 February, an FMLN guerrilla unit carried out a successful ambush of a truck transporting 10 to 12 soldiers in La Libertad Department, killing or wounding 8."

Another report states that "at 1000 on 17 February, FMLN guerrillas ambushed Treasury Police units in San Salvador Department using a powerful mine and rifle fire, inflicting two enemy casualties." Continuing its military report, Venceremos says that "at 1645 on 18 February, an FMLN guerrilla unit attacked enemy forces in El Tablon hill, San Fernando jurisdiction, Morazan Department, inflicting one casualty."

In addition, the clandestine station reports that "at 0700 on 19 February, the enemy was attacked in La Laguna of El Rosario, inflicting one casualty on Military Detachment No 4." Another report adds that "on 16 February, FMLN militia units successfully sabotaged a 115,000-watt electricity tower" in Santa Ana Department.

A report from Chalatenango Department states that "on Saturday, 11 February, Honduran troops stationed at the border near Villa de Jesus Canton, San Fernando jurisdiction, Chalatenango Department murdered Salvadoran citizen Fabian Mancilla from Villa de Jesus, who was living in Honduras in Las Mercedes jurisdiction." The report adds that Mancilla was beheaded on the road to Las Mercedes in Copan Department, Honduras, and that Honduran troops accused him of collaborating with the FMLN. In connection with this report, the station announcer says: "We once again demand the release of Jose Manuel Martinez, Adrian Argueta, and David de Jesus Argueta, community leders in Morazan and San Miguel, who were captured by Honduran troops of the Marcala Battalion in the area of San Antonio del Mosco, Morazan Department."

Coprefa Reports 10-17 Feb Military Actions

PA2002124289 San Salvador Radio Cadena YSU in Spanish 1800 GMT 18 Feb 89

[Coprefa report]

[Text] The Armed Forces Joint General Staff revealed today that between 10 and 17 February, 24 terrorists were killed and 18 wounded in fighting with various Army units, and that the Army seized 20 rifles of

different calibers, an M-79 grenade launcher, 7 LAW rocket launchers, 7 automatic pistols, 2,500 rounds of ammunition, 236 booby traps, 22 fragmentation grenades, 15 blocks of TNT, 7 claymore mines, 1 communications radio, and a large quantity of material to manufacture explosive devices.

The FMLN terrorists murdered 11 peasants, wounded 16, and kidnapped 10 in various parts of the country. The peasants were killed for refusing to cooperate with the FMLN communist groups. The others were led away to join the FMLN ranks. The civilians were wounded during attacks perpetrated against military garrisons in Usulutan and San Salvador, where the guerrillas seriously damaged more than 10 private homes.

Subversive groups seriously wounded Maria Magdalena Hernandez with a claymore mine during an ambush of a military vehicle in the vicinity of San Ramon farm on the outskirts of Santa Ana according to a report by the command of the 2d Infantry Brigade.

According to another report, six civilians were injured and several houses damaged when FMLN terrorists hurled explosive devices against the installations of the 6th Infantry Brigade and Atonal Battalion in Usulutan Department. The military garrisons sustained only minor damage.

In the central zone, several civilians were injured as a result of harassment by FMLN members against the national police main headquarters. According to the military report, the guerrillas launched a 76-mm LAW rocket, which hit a store. Simultaneously, the extremists tried to attack the security corps headquarters, where the soldiers seized seven dud LAW rockets. The National Guard in San Sebastian, San Vicente Department, reported that several civilians were wounded during FMLN harassment against the security corps.

CD's Reni Roldan Rejects Car Bombings

PA2302144389 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 21 Feb 89

[Text] The Democratic Convergence [CD] has condemned the use of car bombs against military targets because of the damage sustained by civilians.

Mario Reni Roldan, the leftist coalition's vice presidential candidate, said these actions lessen the possibility of an understanding between El Salvador's antagonistic sectors. In this morning's attack, two elderly individuals were killed by the explosion of two car bombs.

Roldan has asked the guerrilla command to desist from using car bombs, at least in urban areas, because of the damage to civilians.

[Begin Roldan recording] The CD believes car bombings will not lead to peace. They fail to prove the FMLN's military effectiveness, and by harming civilian lives and property they lessen the possibility of an understanding among Salvadorans. The CD has therefore chosen to protest publicly and urges the FMLN to desist from using car bombs, at least in urban areas.

I must regretfully admit that the war has continued in El Salvador and, consequently, during attacks on military targets it is not possible for civilians to (?evade) the fire of a war we have been unable to stop, a war that has proven damaging to civilians, a war we find unexplainable and unjustifiable when human lives are at stake.

The FMLN was probably aiming at a military target, but the garrison is in the middle of San Salvador and care should be taken when using military weapons that could be harmful to civilians. The CD has condemned the Salvadoran Armed Forces for using 105-mm long-range artillery and for indiscriminately bombing areas with 500-pound bombs. We believe these attacks, even against military objectives, are harmful to civilians and we have urged the Armed Forces to be careful. We must, therefore, ask the other side to do the same.

If their target was a military one, then the result was disastrous because the military suffered no damage but civilians suffered considerable damage—even the loss of lives. [end recording]

The leftist politician denied the guerrilla's actions demonstrate military weakness. On the contrary, he said, they have displayed strength, although some right-wing groups point to the guerrillas' peace proposal—which is an effort to make the elections viable—as proof of their military weakness.

Army To Increase Operations Against Guerrillas

PA2302180089 San Salvador LA PRENSA GRAFICA in Spanish 22 Feb 89 p 13

[Text] According to Colonel Juan Orlando Zepeda, commander of the 1st Infantry Brigade, the explosion of several car bombs and recent surprise guerrilla attacks on villages and military units show that "when the guerrillas speak of peace, they are playing with the Salvadoran people's good intentions."

Zepeda stated this after he announced an increase in the number of searches, patrols, and military reinforcements in northern San Salvador and the reinstatement of a military cordon around the University of El Salvador (UES).

Col Zepeda said UES students were responsible for the explosion of two car bombs near the San Carlos garrison, the 1st Infantry Brigade headquarters and one of the most important garrisons in El Salvador.

In an impromptu news conference called by Zepeda after the attack, he stated that the FMLN's new "peace offer" is "hypocritical, because it plays with the people's good intentions."

Referring to the civilian casualties resulting from the attack, Zepeda said the guerrillas "are desperate" and thus commit "terrorist acts that do not harm the military but civilians."

Two senior citizens were killed in this attack. In addition, four civilians were seriously wounded and some 20 houses and cars were damaged.

"It is contradictory," Zepeda added, "that these criminals—who are protected by democracy—speak of peace and request negotiations while they destroy the country's economy, kill the poor, and manipulate children and women so they will participate in senseless demonstrations."

The journalists at the news conference were invited to inspect the San Carlos military installations to ascertain that they had not been damaged by the attack.

Poll Shows 'Close' Race Between PDC, ARENA

PA2302212089 San Salvador DIARIO LATINO in Spanish 21 Feb 89 p 3

[Text] At the Camino Real Hotel yesterday, Stanley B. Greenberg, president of The Analysis Group of Washington, released the results of the poll conducted by the Public Opinion Institute, IUDOP, of the Central American University, UCA. The IUDOP had kept completely silent about the poll until the U.S. firm decided to release the results.

The poll was designed and conducted by The Analysis Group while UCA was in charge of the questionnaires (the so-called pretests) and field work. According to Greenberg, the data, which was collected by using research methods, was tabulated in the United States. The World Policy Institute of New York sponsored the poll.

At the news conference, Greenberg handed a bulletin in English to the press, the first part of which we translate textually as follows: "Stanley B. Greenberg of Greenberg Lake, The Analysis Group, Inc, today released the results of its national poll of Salvadoran voters. Greenberg said the struggle for the Presidency continues to be close and hard-fought. ARENA [Nationalist Rebublican Alliance] continues to have a slight advantage over the PDC [Christian Democratic Party] while the Democratic Convergence [CD] continues to play an important role. Greenberg said that in view of that situation, it is very unlikely that the Salvadoran presidential elections will have a definitive result in the first round."

There were two systems used for the poll, and one was a computerized system. That system established a relationship among the preferences of people who were polled, the political parties, and the various candidates. That link showed that 31 percent of the people polled prefer ARENA, 28 percent prefer the PDC, 9 percent prefer the CD, 2 percent prefer the PCN [National Conciliation Party], and 1 percent prefer MAC [Authentic Christian Movement]. The second system only added up the answers to each question and it showed that 27 percent of the people polled prefer ARENA, 18 percent prefer the PDC, 4 percent prefer the CD, 2 percent prefer the PCN, and 1 percent prefer MAC.

The first tabulation method showed that 29 percent of the people polled were undecided. (Those who answered: No one; I do not know; or I do not wish to answer). The second tabulation method showed that 48 percent of the people polled were undecided.

According to the poll, 45 percent of the people polled consider the war to be El Salvador's main problem. Over two-thirds of the people polled, in other words 68 percent, believe peace should be negotiated; 16 percent of the people believe the PDC candidate should win; while 58 percent think the PDC has been in power for too long and that it is time for somebody new to come to power.

At present, five firms are conducting periodic polls in El Salvador. Four of those companies are paid by the majority parties and the fifth is a Costa Rican firm, which we think is working independently. Greenberg is the first to release poll results in the midst of the campaign. The UCA poll had been conducted first, but its results were not released. The various parties are using the other polls to size up and direct their campaigns.

More sophisticated statistics and research methods are being used in El Salvador, including the misunderstood group sessions (focus groups) [preceding two words in English].

PDC Victory Predicted

PA2302193089 San Salvador Radio Cadena YSU in Spanish 1800 GMT 22 Feb 89

[Report by Carlos Ernesto Rugama]

[Text] The Christian Democratic Party [PDC] today revealed the results of the latest polls on the upcoming presidential election. Gerardo Lechevalier, deputy communication minister and a member of the PDC, said the nationwide polls conducted during February by six different organizations indicate that the PDC has surpassed ARENA, the country's major political party.

Some of the polls show a tie between the PDC and ARENA in the first round, and others say the results favor the official candidate, Fidel Chavez Mena. Likewise, Ernesto Allwood, assistant secretary of the Democratic Action Party, which formed a coalition with the PDC for the upcoming elections, said his party conducted a poll and the results indicate that the PDC will surpass ARENA in the first round—42 percent to 41 percent. He added that, according to the poll, the PDC's advantage increases in the second round—53 percent to ARENA's 47 percent.

[Begin Allwood recording] It is important to emphasize that we must take into consideration which sectors were included in the poll, the procedures used to tabulate the results, and—this is most important—how the results of the poll were interpreted before we make any comparison with other polls.

However, there is another extremely important factor. We recently saw that the Central American University, which was hired by a U.S. firm, published the results of a poll, but the poll was conducted in January. The information I will give you today is the result of a poll conducted during the second week of February. The polling concluded on 14 February and the results were given to us yesterday, once the information was analyzed and tabulated.

I believe the poll from which I am about to quote is the most recent one. It has a low margin of error. The (?Eiko) Company conducted the poll and it was told from the beginning that we did not want questions and answers. We only wanted an idea of the electoral situation. Thus, the margin of error is very low, about 2.5 percent; the information was technically classified without the participation of a political group. We have reliable information and all the work has been carefully screened by the company to prevent a higher margin of error.

The most important information I can give you is that, leaving out the people who refused to say who they would vote for during the first round, 42 percent favored the Chavez Mena-Barrientos ticket and 41 percent supported the ARENA ticket. We processed additional information to establish what would happen during a second round, and the gap increased. Dr Chavez Mena's share rose to 53 percent and the ARENA candidate remains at 47 percent. [end recording]

Allwood also said the Democratic Convergence will not be supported by the people because its political activities are mainly carried out at the international level, where it gets all its support. The polls revealed today were of citizens who are registered and plan to vote.

Comparisons of FMLN Position Statement Issued

Radio Venceremos Version

PA2302211589

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 23 February broadcast an 11-minute version of the FMLN position statement on the implementation of the FMLN elections proposal. The (Clandestine) Radio Venceremos Spanish version has been compared to the (Clandestine) Radio Farabundo Marti Spanish version published in the 23 February Latin America DAILY REPORT, page 21, and found to be identical, with the following exception:

page 22, column two, paragraph three, last line, (Clandestine) Radio Venceremos version reads: ...and Joaquin Villalobos (omitting issuance date of document)

EL MUNDO Version

PA2402051189

San Salvador EL MUNDO in Spanish in its 22 February edition publishes on page 2 the FMLN position statement on the proposal it issued in Mexico City. The date and place of the statement are not given. The EL MUNDO version of the statement has been compared to Radio Farabundo Marti Spanish version published in the 23 February Latin America DAILY REPORT, page 21, and found to be identical, with the following exceptions:

page 21, column two, last paragraph, from end of first sentence, EL MUNDO version reads: ...agree to surrender. [new paragraph]

2. The FMLN took...(omitting second sentence)

page 22, column one, first paragraph, from end of first sentence, EL MUNDO version reads: ...justice or democracy. [new paragraph]

3. We are convinced that a lasting peace must be based on the demilitarization of society and on a national consensus to form a pluralist model that is economic, ideological, and political. [new paragraph]

Our peace proposal...(supplying additional passage)

page 22, column one, penultimate paragraph, from end of second sentence, EL MUNDO version reads: ...reduce military expenditures. It will contribute to the region's demilitarization and to the process of detente and to the peaceful solutions now appearing on the world scene. The Army has not only been the principal element of power, it has also been a supreme elector, judge, and political and ideological inquisitor. Its power has increased over the past several years. To secure democracy, therefore, their forces and political strength in society must be reduced, thus guaranteeing their obedience to a government freely elected by the people. (providing additional passage and rewording)

page 22, column two, paragraph two, first sentence, EL MUNDO version reads: ...—as we are proposing—and an agreement...(omitting three words)

page 22, column two, paragraph two, last sentence, EL MUNDO version reads: ...in national life. [new paragraph]

4. Both the Army and the new public security body will be forbidden to carry out any form of political persecution or repression. [new paragraph]

The FMLN expresses....(supplying additional passage)

page 22, column two, paragraph three, signature line, EL MUNDO version reads: ...Commanders Eduardo Sancho, Francisco Jovel, Shafik Jorge Handal, Salvador Sanchez Ceren, and Joaquin Villalobos (supplying real names instead of noms de guerre, omitting dateline)

Guatemala

PDC Supports Cabrera's Presidential Nomination

PA1502195789 Guatemala City PRENSA LIBRE in Spanish 11 Feb 89 p 12

[Text] The Guatemalan Christian Democratic Party [PDC] National Council yesterday expressed its support for Alfonso Cabrera Hidalgo's presidential nomination. This occurred during a session attended by the country's president and vice president and by the party's departmental secretaries general.

The PDC National Council decision was made after receiving a statement in favor of Cabrera Hidalgo from 20 of the 22 PDC departmental secretaries general.

During the meeting at the Bremen Restaurant, President Vinicio Cerezo Arevalo and Vice President Roberto Carpio Nicolle also expressed their support for Cabrera Hidalgo's nomination, as did most of the deputies attending this meeting.

The PDC leadership called this meeting to review some internal party affairs. The issue of the presidential nomination was brought up at the request of the departmental secretaries general.

Those attending the meeting also asked Rene de Leon Schlotter to withdraw his nomination as presidential candidate in response to the repeated petitions by the ruling party's rank and file.

PDC Metropolitan District Secretary General Rolando Castro also reiterated his decision to support the presidential nomination of Cabrera Hidalgo, the current PDC secretary general.

Mario Palencia To Replace Cabrera

PA1502135789 Guatemala City PRENSA LIBRE in Spanish 14 Feb 89 p 5

[Text] Prosecutor Mario Palencia will replace Foreign Minister Alfonso Cabrera Hidalgo, according to statements made by Cabrera himself while visiting the capital of Chiquimula Department.

Cabrera Hidalgo headed a meeting of Christian Democratic leaders at the Workers' Future assembly room, where he received support as a presidential candidate from the Chiquimula party affiliates.

When referring to the meeting held with UN Secretary General Javier Perez de Cuellar, the minister said a verification mechanism was agreed upon as far as technical advise was concerned.

The minister added that Guatemala never requested the presence of foreign military forces for verification in the area.

Referring to the presidential summit taking place today and tomorrow in El Salvador, Cabrera Hidalgo said a definite solution should not be expected. He added, however, that it will be a positive step toward the consolidation of peace in Central America.

Foreign Minister Assesses Presidential Summit

PA1802183789 Guatemala City LA HORA in Spanish 15 Feb 89 p 4

[Text] Guatemalan Foreign Minister Luis Alfonso Cabrera Hidalgo has said the Central American presidential summit resulted in great progress toward better relations among the five Central American nations.

The foreign minister noted: "We were hopeful, because we knew the summit would improve the chances for peace in the region. Our wishes became reality; the joint statement issued yesterday shows that the summit resulted in very important achievements."

"We believe the Nicaraguan Government's commitment to hold elections as soon as possible and the decision to dismantle the contras are the most important points in the agreement signed by the presidents who participated in Esquipulas IV in El Salvador," the foreign minister said.

Cabrera stressed that several paragraphs of the joint statement issued after the 2-day meeting at the Tesoro Beach Hotel will have important repercussions within Nicaragua, especially in politics.

The foreign minister noted that the agreement will be verified by UN and OAS delegates and lawyers. These officials will follow up on the agreements reached yesterday.

"If we carefully read the statement issued by Presidents Cerezo, Duarte, Azcona, Ortega, and Arias, we will note that they have made commitments that must be carried out within a short period. In this sense, we can stress that the fourth summit has been successful," the foreign minister added.

Cabrera said there were some tense moments during the meetings held by the Central American presidents, but President Cerezo's mediation finally managed to establish a harmonious debate.

"The summit had its tense moments, because the presidents who had different positions got into arguments. Guatemala's mature position, however, gave balance

and cohesion to the meetings, and this led to the achievements made at the summit," said Cabrera, who was President Cerezo's main adviser at the summit.

Foreign Minister Cabrera concluded by saying: "The peace process received a new shot of optimism. Our hopes for a firm, lasting peace have become reality with these important agreements. We only have to wait with confidence for the governments to carry out the actions they promised to carry out. Once that is done, we will face a brighter future. The presidents also agreed to meet again in 3 months."

New Marxist Organization Announces Creation

PA1902235689 Guatemala City EL GRAFICO in Spanish 15 Feb 89 p 6

[Text] An extreme leftist Marxist organization named "Revolutionary October" ["Octubre Revolucionario"], OR, has emerged. The group claims it was inspired by the October 1944 Revolution in Guatemala and the "Great October Revolution" of 1917 in the USSR.

In a note sent clandestinely to various media, the organization announced that it was created in 1987, and that an assembly was held during which two resolutions and its statutes were approved and the members of its directorate elected.

The document says the "OR hopes to represent the proletariat's partisan, Marxist, and combative ideas and to be an instrument of struggle at the service of the Guatemalan revolution." It added that its objective is to contribute to the overthrow of the government controlled by "the powerful Guatemalan bourgeoisie."

The OR document says the organization feels that at this time it is necessary to accomplish the following main objectives:

1. "Install a revolutionary government that represents a great people's alliance, having as its main task the democratization of political, economic, and social life in general."

2. "Create agrarian reform that replaces the current large estate system, and improve agricultural production, thus benefiting Guatemalan society and the country in general."

3. "Expropriate 'the powerful bourgeoisie,' renegotiate multinational holdings in the country in a sovereign manner, and subordinate production and the means of subsistence to the interests of society. Specifically, lay the foundations for a new relationship between society and its environment."

4. "Guarantee local and regional autonomy for Indian communities based on territorial integrity."

5. "Exercise national sovereignty and self-determination by adopting an anti-imperialist and nonaligned foreign policy."

The clandestine organization said "democratic, agrarian, anticapitalistic, and national liberation projects will mark the beginning of the transition toward socialism in Guatemala."

6 Jan Labor Party Reports on 1988 Congress

PA1902155189 Guatemala City PRENSA LIBRE in Spanish 16 Feb 89 p 16

[Text] The 6 January Guatemalan Labor Party, [Partido Guatemalteco del Trabajo 6 de Enero—PGT], has issued a communique informing workers and mass organizations of the First PGT Congress held at the end of 1988.

In a document sent to PRENSA GRAFICA's editorial desk, the PGT reports this important event's fundamental goal was to discuss, update, and approve basic aspects of the revolutionary plan.

They also discussed and approved the Central Committee's political report to Congress on the Guatemalan revolution's means and plans, party laws, special appeals, and resolutions, and the election of the executive committee.

The PGT also reports that one of the primary issues at the congress was the proposal to promote unity with other revolutionary organizations, especially the struggle for the unity of Guatemala's Marxists.

"A special internationalist solidarity activity was carried out with the delegates invited from other parties and revolutionary organizations and with sisters and comrades who have distinguished themselves in the PGT ranks," the communique states.

The document also states it was unanimously agreed to dedicate the PGT's first seminar to the memory of comrades Remigio, Silverio Genaro, and Gonzalo, leaders who were killed in the past few years of party struggle.

To conclude, the PGT reaffirmed the resolve and willingness of its activists to continue the struggle in a variety of ways depending on the country's condition.

Engineers Wounded by 'Subversive Criminals'

PA2302170289 Guatemala City PRENSA LIBRE in Spanish 19 Feb 89 p 3

[Text] An officer and five specialists from the Guatemalan Army Engineer Corps were wounded in an ambush by a group of subversive criminals. The ambush took place on the highway that joins Barillas with the Mexican border in the Chacula Hacienda district.

The Army's Information Department reported that the criminal act occurred when the military personnel were going to work on the construction of a new highway for the area at 0630 on 16 February.

The Information Department report added that the subversive terrorists exploded several bombs that wounded several members of the military unit.

Police Seize 2 Kg of Cocaine, Arrest Mexican
PA1902124289 Guatemala City EL GRAFICO in Spanish 17 Feb 89 p 3

[Summary] Guatemalan Police seized 2.022 kg of cocaine from Romeo Gonzalez Galdames, a 21-year-old Mexican student who smuggled the drug into the country from San Andres, Colombia. The police noticed the student acted suspiciously and found four bags of cocaine in his false-bottomed suitcase. According to the authorities, the drugs are worth 500,000 quetzals. The student was turned over to court authorities and will be transferred later to Pavon.

*** Reportage on 1990 Presidential Elections**
32480068a Guatemala City EL GRAFICO in Spanish 3 Jan 89 p 5, 4 Jan 89 p 5

[By Arnoldo Cruz: "Presidential Campaign Has Begun"]

[3 Jan p 5]

[Text] Guatemala City, 3 January—In the political order of things 1988 was the beginning of the race for the Presidency of the Republic—even though it will be a long time before the general elections. Appearing in the lead is the centrist movement and Dr Jorge Carpio Nicolle, its journalist leader, and the government in power, despite its weakened condition.

The results of polls carried out by firms specializing in such matters placed the National Centrist Union [UCN] and the Guatemalan Christian Democracy party [DCG] in the lead. They also provided evidence of the deterioration of traditional political groups and the limited support of small parties.

For the UCN 1988 signified a year of strengthening its internal structure, not only in terms of broadening its organizational base but also in the sense of its vehement defense of the process of democratization. In its external relationships it joined the "Liberal International" as a party, and Jorge Carpio Nicolle, its leader, was elected one of the vice presidents of that organization.

For their part the delegates to the international conference of the Federation of Centrist and Liberal Parties of Central America and the Caribbean [FELICA] which met from 7 to 11 December in the city of Antigua Guatemala, Sacatepequez Department, recognized the leadership of the secretary general of the UCN.

Their message said: "We confirm our recognition of the political leadership of Dr Jorge Carpio Nicolle in Guatemala and Central America, which has been a decisive factor in the process toward the democratization of his country and of the region."

In this context and looking toward the general elections, which are to be held in 1990, the leader destined to be nominated by the centrist movement as a candidate for the Presidency of the Republic is Jorge Carpio Nicolle, whose image is well known, respected, and supported by broad sectors of the population.

A poll carried out by the firm "Aragon y Asociados" [Aragon and Associates] made it possible to reconfirm the fact that the centrist leader and the UCN best represent the political thinking of Guatemalan youth, with percentages higher than those of Dr Cerezo Arevalo, president of the republic, and the DCG, who were in second place.

Situation of Guatemalan Christian Democracy

The Guatemalan Christian Democracy [DCG] party is in weakened condition. Nevertheless, this has not been a decisive factor in its falling into second place, behind the UCN. Rather, this may be explained if one considers the fact that it has existed for more than 30 years as a political organization.

The top leadership of the DCG, according to observers and members of the party, has moved away from the doctrine of the party, and this has led to the emergence of internal problems. At the time of the National Assembly elections, in which Alfonso Cabrera was reelected secretary general, a group broke off from the party.

This group adopted the name of the National Front of Christian Democratic Change [FNDC] whose members have decided to form a new political party. Following this event, Cabrera was called "the heir apparent," because it was believed that he would be the candidate of the governing party.

President Cerezo himself publicly gave him his support. Without the presence of the dissidents in the party and with presidential support it was believed that the secretary general of the DCG would be a sure candidate. However, on 17 December preliminary steps were taken to nominate Raquel Blandon de Cerezo, the wife of President Cerezo, and Rene de Leon Schlotter, the minister of development, as candidates.

The National Executive Committee of the DCG took this action; it is still a subject of discussion in political circles, in which the predominant view is that this was a maneuver which suggested that the citizens believe that internal democracy is practiced within the governing party.

However, that is not all. Danilo Roca, a political analyst, suggested that these proposed candidacies could be interpreted as the breakdown of a joint political and electoral strategy and that there could be more surprises in store.

Even though a detailed, juridical study has not been made of the matter, there are those who point out that in order to seek the presidency Raquel de Cerezo would have to

obtain a divorce. For his part Rene de Leon Schlotter emphasizes that the three candidacies demonstrate the practice of internal democracy within the party.

An important fact that was brought out when he was interviewed on a television news program is that his candidacy suggests the return of the DCG to its doctrinal principles. For his part, when President Cerezo was asked for his opinion, he said he respected the announced candidacies but that he still supported Alfonso Cabrera. Catalina Soberanis Reyes, assistant secretary general, stated that it will be the rank and file of the party who will have the last word.

Democratic Socialist Party

The Democratic Socialist Party [PSD] led by Mario Solorzano Martinez, is considered third in importance after the UCN and the DCG, and this is shown by the data obtained from the polls.

This political organization emerged from clandestine status to participate in the 1985 elections. Since then its leaders have intensified their efforts to broaden its basic organization throughout the country.

On 30 April 1988 the National Assembly of the party was held at which new elections took place. Solorzano Martinez was reelected secretary general. This action was immediately challenged.

As a result of certain incidents which had taken place, Luis Zurita Tablada, who had run with Mario Solorzano as vice presidential candidate in 1985, formally resigned. Other party activists followed his example. A so-called "Internal Opposition Front" emerged, followed by the appearance of the "Critical Current" group in September 1988.

Later on, Zurita and his associates formed the "United Guatemala Civic and Political Movement." They are working on a program to unify the masses of the people in the broadest sense, in the capital as well as in the countryside.

As far as the PSD as a party is concerned, it is necessary to say that it is in third place, after the UCN and the DCG, according to poll results. At present its leaders feel that it is growing, and they base themselves on the fact that, compared to the 3.4 percent of the registered voters supporting it in 1985, it now has 12 percent. Its leader is considered a potential candidate for the elections of 1990.

Solorzano has warned that the declaration of support by President Cerezo for Cabrera portends an electoral battle. He said that this is unfortunate because it may distract the attention of the government from dealing with basic problems.

[4 Jan 89, p 5]

[Text] Guatemala, 4 January—The beginning of the campaign for the Presidency of the Republic has become a difficult problem for the organizations which, apart from the UCN, the DCG, and the PSD, make up the rest of the national political spectrum. Those organizations which already have a candidate will have to consolidate their positions, while others, either individually or in a coalition, will have to choose a candidate or attempt "to join up with the big parties."

In any case and according to the poll results, prospects for the other political parties are not very promising, apart from what we reported on 3 January regarding the parties fighting the major battle (the UCN and the DCG). No doubt this will force the establishment of coalitions.

The National Liberation Movement [MLN] is working on promoting the image of General Hector Mario Lopez Fuentes, its candidate for the presidency. Its campaign has been concentrated on areas in the east of the country, formerly the bulwark of of the MLN.

The party's reiteration of support for Lopez was expressed when a spokesman rejected suggestions that the MLN would support General Efrain Rios Montt, former chief of state, who hopes to obtain a nomination to the presidency. However, Rios Montt has not yet found a party willing to support him. The process leading to the general elections, set for 1990, will still take a long time, and there could be surprises. The possibility that other, small parties would join with the MLN cannot be rejected out of hand. In a separate category is the Solidarity Action Movement [MAS] which had a less than agreeable experience in the municipal elections of April 1988. It continues working on expanding its influence, and it is believed that the man likely to be its candidate is Jorge Serrano Elias, its secretary general.

Serrano was president of the Council of Estate during the administration of General Efrain Rios Montt. He participated in the race for the Presidency of the Republic in 1985, when he was nominated by the Democratic National Cooperation Party [PDCN] and the Revolutionary Party [PR].

Subsequently, he broke with the PDCN and went on to form the MAS, in which he is still active. Political analysts consider that, by itself, the MAS cannot exert enough influence to make it a major contender in the next general elections.

Meanwhile, the National Renovation Party [PNR] continues to support Fernando Andrade Diaz-Duran, after swearing to do so at the party general assembly which took place on 25 September 1988. On this occasion it issued a call for a national crusade but found no response to it.

The PNR obtained only 0.3 percent in a recent poll. Its campaign in support of Andrade has not caught on. Andrade was an adviser to military governments. He served as minister of foreign affairs during the de facto government and as ambassador of the Christian Democratic government to the UN.

He drew attention when, shortly after leaving this position and during the campaign, he began to harshly criticize the government which he had represented in the international arena. He tried to obtain the support of the PR. However, this organization finds itself faced with many problems and is very much divided. Nevertheless, this has not kept the group led by Mario Fuentes Pieruccini from supporting him.

The situation facing the PR remains to be clarified at a new general assembly of the party, which the Voters Registration office ordered to be held after determining that irregularities had occurred in previous elections. It declared its reported vote null and void. The groups which are disputing the party leadership have made accusations against each other.

There are stories circulating about that this political group, and particularly "the Old Guard," led by Mario Fuentes Pieruccini, has the "blessing" of the Christian Democratic administration. Its electoral support has declined, perhaps because it has not really and truly put into practice the doctrines which its leaders have promised to support and defend.

Other Parties

The other political parties are in an unfavorable position. The Institutional Democratic Party [PID] which formed an alliance in 1985 with the MLN, has no candidate. The same thing has happened to the National Unity Front [FUN]. Nevertheless, it is said of both of them that they will probably join in supporting the candidacy of General Efrain Rios Montt. Regarding the former chief of state, who has even resigned from the Council of Elders of "El Verbo" [The Word] Church, which he supported when he was in office, Danilo Roca, the political analyst, recently said that Rios Montt will probably be only "a bad memory," because he wrought havoc to Guatemalan society during his administration by promoting divisions in the religious field.

On the other hand the Authentic Nationalist Center [CAN] a moderate right wing party, is in a position which will make it difficult for it to participate by itself in the 1990 elections. It is believed that its leadership will find itself faced with the alternatives of forming an alliance or playing another and better role.

The Nationalist Party [PANAC] was established on the initiative of Mario Castejon Garcia Prendes, the former leader of the PNR. It has already begun to work on forming a right-wing front. Those participating in this project say that they seek to establish a National Unity Front. Nevertheless, its leadership does not have substantial electoral support.

The Emerging Concord Movement [MEC] whose secretary general is Colonel Francisco Luis Gordillo Martines, himself a member of the Military Council formed after the coup d'etat which overthrew the government of President Fernando Romeo Lucas Garcia, still has no cards to play, with the exception of its own leader. Certainly, it will seek the establishment of electoral alliances.

Other organizations like the Party of Anticommunist Unification [PUA]; Democratic Action [AD] (Leopoldo Urrutia, its former leader, is close to the position of Alfonso Cabrera Hidalgo, one of the candidates of the DCG, the government party.]; the People's Democratic Front [FDP]; the Organized People's Front [the FPO]; the FAN [National Advancement Front]; and the recently organized Democratic Party have little public support.

Regarding the PAN

The Program for National Advancement [PAN], which elected Alvaro Arzu, its leader, to the position of mayor of Guatemala City, is working on broadening its power base. It is possible that it will turn into a political party.

The slogan of the PAN, "Responde" [Answer], is constantly being spread about. Much has been said about the mayor of Guatemala City. On the one hand it is said that he will be a presidential candidate in the 1990 elections.

On the other hand it is reported that he will seek reelection as mayor, in accordance with the provisions of the new Municipal Code. It is said that this will make it possible to consolidate its organization by participating more effectively in the 1990 elections. This is a long-term effort.

Regarding the PAN as such, as we have noted, it is almost certain that it will become a political party and that it will present candidates for municipal councils and for Congress in 1990. In any case it will be necessary to wait for the results of the race for the Presidency of the nation.

Honduras

Bomb Explodes Near U.S. Standard Fruit Lab

PA2302170189 Panama City ACAN in Spanish 1630 GMT 23 Feb 89

[Text] Tegucigalpa, 23 Feb (ACAN-EFE)—A small bomb exploded today outside a laboratory of the U.S. Standard Fruit Company, which operates on Honduras' Atlantic coast.

The bomb, placed next to the company's research laboratory in La Ceiba port, did not cause any important damage nor did it harm anyone.

Police reported the explosion occurred at 0720 (1320 GMT) and that a thorough investigation of this matter will be conducted.

The laboratory is searching for new cultivation methods, new banana varieties, new control techniques, the eradication of diseases, and other agricultural research activities.

According to Colonel Wilfredo Sanchez, commander of La Ceiba's 4th Infantry Battalion, a guerrilla group sought by military intelligence is training in nearby mountains.

Guerrilla 'Arms Cache' Found in La Ceiba

PA2402043189 Hamburg DPA in Spanish 0345 GMT 23 Feb 89

[Text] Tegucigalpa, 23 February (DPA)—The Honduran Armed Forces tonight announced the discovery of a guerrilla "arms cache" containing approximately 170,000 pounds of dynamite and other explosives. The group that detonated four bombs in 6 days in Honduras has thus been defeated.

The house where the explosives were stored was in the Atlantic coastal area of La Ceiba, 355 km from Tegucigalpa, according to Colonel Erick Sanchez, chief of the military region and of the 4th Infantry Battalion stationed in La Ceiba.

The communique issued tonight also states that the explosives would have been used by insurgent groups to continue the wave of terrorist attacks that have left 13 people wounded, caused several million dollars in damage, and has created panic throughout the country.

Col Sanchez said that the Armed Forces "will take strong action against all guerrilla organizations." Sanchez also announced that his forces are carrying out operations in the jungles of Honduras' Atlantic region, specifically on the Nombre de Dios mountain range, because it is suspected that local insurgent groups have training camps there.

Communique Vows Armed Forces To Maintain Peace

PA2302235789 Tegucigalpa LA TRIBUNA in Spanish 23 Feb 89 p 3

[Communique issued by the Presidential Press Secretariat in Tegucigalpa on 22 February]

[Text] The Presidential Press Secretariat believes that it must state the following to the Honduran people regarding the acts of violence in recent days:

1. The Honduran Government vigorously condemns the criminal actions that have been carried out in this capital and that have caused grave harm to individuals and damage to public property. By disrupting social peace, these actions cause anxiety among the public.

2. We deeply regret the harm caused to the innocent victims of criminal actions, which are abnormal to the Honduran way of life and which undoubtedly are provoked by enemies of our nation's democratic and constitutional system.

3. The Honduran people can rest assured that the Honduran Armed Forces will provide to the Public Security Force (FUSEP) all the necessary support to fight and eradicate crime in all its forms and from whatever origin.

4. The Armed Forces will vigorously act to guarantee public tranquillity, the security of individuals and property, and the existence of democracy as the way of life and the form of government that Hondurans have chosen through the civilized electoral method.

5. In conclusion, we appeal to the public to remain calm and to be confident that with honest citizens' cooperation, the authorities will maintain law and order and the the nation's political stability.
Tegucigalpa, 22 February 1989
Presidential Press Secretariat

National Party Leader Objects to Army Patrols

PA2402043589 San Pedro Sula TIEMPO in Spanish 23 Feb 89 p 9

[Text] Tegucigalpa—National Party presidential candidate Rafael Leonardo Callejas feels that the Army is not legally authorized to patrol the main cities in the country and said that the appropriate corps should increase their security operations.

The political leader issued the statement when asked if he thought that Army personnel should leave their barracks to protect the citizenry and their possessions in light of the latest wave of violence throughout the nation.

Callejas said that the armed corps, particularly the Army, was not created to patrol the streets. He said this is the exclusive duty of the Public Security Forces (FUSEP), which should be supported so that they can fulfill their duties.

The National Congress session on Tuesday reviewed a bill sent by the defense minister requesting reforms to the Armed Forces Law to allow the Army to carry out police duties to reinforce the Public Security Forces.

Callejas condemned the latest violent actions and said that the placing of bombs in public offices does not solve the country's problems.

He issued an appeal to all sectors of Honduran society, urging them to combine efforts and counter the violence that afflicts the nation.

The National Party presidential candidate also said that the National Congress' directorate board—composed of deputies from Congress President Carlos Orbin Montoya's political group—must be blamed for the fact that the bill has yet to be discussed.

He added that his party's representatives should not be held responsible because important bills, including the consumer protection law, have not been discussed. He said: "National Party deputies do not prepare the agenda. It is prepared by a directorate board, which has to explain why the consumer protection law has not been discussed."

Nicaragua

Opposition Holds 'Private' Meeting With Ortega

PA2302155389

[Editorial Report] Managua Radio Sandino in Spanish at 1200 GMT on 23 February broadcasts a 15-minute report on "a private and bilateral" meeting that opposition political parties held on 22 February with Nicaraguan President Daniel Ortega. The report notes the parties "agreed the election date should not be moved up, and they insisted that constitutional reforms must be made." The station reports the following persons attended the meeting: Daniel Brenes, Eduardo Molina, and Clemente Guido of the Democratic Conservative Party of Nicaragua [PCDN]; Luis Vega, Filiberto Sarria, and Francisco Taboada of the Social Christian Party [PSC]; and Eduardo Coronado and Lombardo Martinez of the Independent Liberal Party-National Unity [PLI-UN].

On the subject of the national dialogue, Radio Sandino adds that "while the PSC insists that only the parties that initially took part in the dialogue should participate, the PLI-UN advocates that all opposition groups and parties—as well as social and economic groups—should be allowed to participate." The report goes on to say the PCDN "demanded two points quite different from the demands of other parties, namely that President Daniel Ortega not run for reelection—claiming this would encourage political coexistence—and that Nicaraguans living abroad be given the right to vote."

Quoting the representatives from the various parties, the station reports that PCDN coordinator Daniel Brenes said his party is in favor of dialogue. PSC representatives Filiberto Sarria and Luis Vega are cited as insisting that democratization does not mean the date of the elections must be moved up and voiced their disagreement over the electoral reforms proposed by the government. PSC leader Luis Vega said the contras have nothing to do with the elections, pointing out that "the possible alliance of the domestic opposition forces to participate in next year's election is enough to mobilize the people; therefore, Alfredo Cesar of the counterrevolutionary leadership has no business being in the elections."

Radio Sandino then carries a brief interview with PLI-UN leader Eduardo Coronado on his party's platform, which he describes as one "that will recover the rights for all social classes in Nicaragua, but that emphasizes the needy." Coronado specifies that his party believes "private groups must promote the economy with greater independence and greater creativity," rather than "advocating the policy that the government maintained to bring everything under state control."

Opposition Leaders Interviewed

PA2402040889 Managua Radio Sandino in Spanish 1213 GMT 23 Feb 89

[Report by Oscar Alvarez on interviews with opposition leaders Daniel Brenes, coordinator of the Democratic Conservative Party; Eduardo Coronado, member of the Independent Liberal Party-National Unity; and Luis Vega, member of Erick Ramirez group in the Social Christian Party; following a meeting with President Daniel Ortega in Managua on 22 February—passages within quotation marks recorded]

[Text] Opposition parties that met privately last night with President Daniel Ortega agreed to demand that the date of the elections not be moved forward and stated that reforms must be made to the Constitution. Daniel Brenes, Eduardo Molina, and Clemente Guido attended the meeting on behalf of the Democratic Conservative Party of Nicaragua [PCDN]; Luis Vega, Filiberto Sarria, and Francisco Taboada attended on behalf of Erick Ramirez's group in the Social Christian Party [PSC]; and Eduardo Coronado and Lombardo Martinez attended on behalf of the Independent Liberal Party-National Unity [PLI-UN].

The PSC believes and asserts that only the parties that initially reached an agreement should participate in the dialogue; the PLI-UN advocates the participation of all the opposition groups and parties, as well as social and economic groups; while the PCDN demanded two quite different things. The PCDN said that President Ortega should not stand for reelection and argued that this would benefit political activities. The PCDN representatives also requested that Nicaraguans living abroad should have the right to vote.

National Assembly Secretary Rafael Solis said that bilateral meetings with political parties would expedite things and achieve more results than a national dialogue. However, he did not rule out the possibility of a national dialogue. Solis recalled that the previous national dialogue spent 6 months discussing an agenda that was never drafted, and he pointed out that there is less time

now because the Central American presidents' agreement to bring the elections forward exerts pressure on the debates to carry out reforms related to the news media law and the electoral law.

Solis said: We need 4 months to prepare an election campaign and 6 months to carry it out; this leaves us only 2 months to discuss the reforms. Solis stressed that the government should respect the privacy of the meetings currently under way among opposition parties and groups; and added that each of the parties has a right to comment on them.

He added that the summoned parties are under pressure from the newspaper LA PRENSA and the Democratic Coordinating Board [CDN] parties not to participate. Solis asserted: The government is trying to establish points of consensus on specific proposals that were issued during the summit in El Salvador, such as electoral reforms, a date for elections, the creation of a Supreme Electoral Court, reforms to the news media, and access to the news media.

Upon conclusion of each meeting between opposition leaders and President Ortega last evening, the party representatives revealed to the national and foreign media aspects of the discussions. PCDN Coordinator Daniel Brenes said that his party advocates a dialogue as part of its civic guidelines.

[Brenes] "The PCDN will never turn down a political dialogue in the country. We are willing to participate today and always, because that is part of our civic guidelines. We will never reject a dialogue that seeks to achieve peace and democracy in our country. We met with the president today in a positive atmosphere, and we will seek points of consensus to improve the situation in Nicaragua."

PLI-UN member Eduardo Coronado said the national dialogue should have three objectives:

[Coronado] "The first objective is national reconciliation. The second objective is Nicaragua's democratization. The third objective—which we feel is very important—is national reconstruction."

Filiberto Sarria and Luis Vega, of the PSC faction headed by Erick Ramirez, said that democratization is not established merely by holding early elections. They added that they were against the government's proposals for election reforms:

[Unidentified speaker] "We feel that holding early elections does not mean that there will be democratization in Nicaragua. The election process is just a part of Nicaragua's process of democratization. We must first and foremost make a concerted effort to achieve democratization so that we can then devote ourselves fully to the election process itself. We must also work together to achieve democratization in Nicaragua, without accepting any period of time or any elections. We must hold discussions based on democratization.

"Election issues must be discussed fully in a dialogue with all political parties. We do not believe in bilateral meetings and dialogues. We think this may be the last bilateral meeting with the president. Furthermore, we have not requested the election reforms the president is proposing. We do not accept them. We have asked for constitutional reforms. Without constitutional reforms, the election process is useless, sterile, and invalid. It will not guarantee democratization in this country. We had a very heated argument with the president about this issue."

According to opposition PSC leader [Secretary General] Luis Vega, a possible alliance among Nicaragua's domestic opposition forces to participate in next year's elections would be more than enough to persuade the Nicaraguan people. Therefore, Vega added, contra leader Alfredo Cesar has no business getting involved in the elections:

[Vega] "We think that nothing would be gained by Alfredo Cesar's coming to Nicaragua. I understand that he is heading a movement in exile—the Nicaraguan Resistance—which is suffering from internal division. His coming to Nicaragua will not save the opposition. The Nicaraguan opposition has its own internal position. We are seeking democratization. With or without Cesar, we will seek peace, liberty, and justice in Nicaragua. Whether he comes or not is really beside the point.

[Reporter] "The Nicaraguan workers are saying that the opposition will have problems choosing a single candidate and that such a move would enhance the opposition's possibilities in the elections. Will choosing a single candidate be difficult? What problems would it entail?

[Vega] "I think choosing a single candidate will be difficult but not impossible. I think we will really have to work toward electing a single candidate to represent us in the upcoming elections—that is, if indeed we decide to participate and if on 25 February we decide to accept the elections proposed by President Ortega. We are also demanding other democratic guarantees.

[Reporter] "Who do you think should lead the coalition?

[Vega] "The national coalition? The opposition coalition?

[Reporter] [Words indistinct]

[Vega] "I think a coalition is our best alternative. We must unite against the FSLN.

[Reporter] "Who would lead the coalition?

[Vega] "That is the most important question and it has been asked—and we still do not have an answer for it. [laughter]

[Reporter] "Doctor Coronado, how does your movement plan to attract workers, farmers, professionals, and the general public? What does it feel would be a winning platform?

[Coronado] "The PLI-UN platform is not directed toward one social class in Nicaragua but to all social classes. It will, of course, make the most needy classes a priority. Economically speaking, we believe that property should be divided between the cooperative, state, and private sectors, with the majority going to the private sector, which must strengthen the economy in a more independent and creative way. We will not perpetuate the government's policy of widespread state ownership—in production as well as in marketing—but allow a certain degree of freedom, encourage individuals to develop their creativity by seeking paths and means to process products and to sell them abroad and thus demonstrate that private enterprise is thriving in Nicaragua and that economic, social, and political activities are not restricted.

[Reporter] "Would you give land to the Somozist guards who led the dictatorship and controlled lands?

[Coronado] "It is no longer possible to maintain unjust social structures based upon large-scale land ownership and widespread unemployment. We must seek economic balance. If, after 10 years, a Somozist reappears after having paid his debt to society and regains his status as a Nicaraguan citizen with a right to work and prosper, I do not see why he should not be allowed to work as a Nicaraguan and be treated like a human being. He must, however, have served his sentence or have been pardoned or granted amnesty. We do not practice political discrimination when it concerns production."

FSLN Supports Presidential Agreements

PA2302145789 Managua BARRICADA in Spanish 19 Feb 89 p 8

[Statement issued by the FSLN National Directorate in Managua on 18 February]

[Text] The FSLN National Directorate, having met with the Sandinist Assembly and with other revolutionary organizations to analyze the results of the 13 and 14 February Central American presidential summit and the concerted efforts toward an economic and political understanding which will help strengthen the peace and welfare of our people, hereby informs the members of the FSLN, the Nicaraguan people, and the international community of the following:

1. Throughout the struggle against Somoza's dictatorship and from our revolutionary triumph on 19 July 1979 onward, our people have shown they have the necessary maturity, responsibility, firmness, courage, and heroism to defend their sovereignty, independence, and national dignity.

Our firm and unrelenting determination to benefit our people by carrying out a process of revolutionary transformations based on a mixed economy, political pluralism, and nonalignment is based on the wishes of the great majority of Nicaraguans and has the international community's support. We have thus been able to face the United States' policy of aggression and the destruction, desolation, and death waged by the Reagan administration against our homeland.

The victories we have won would have never been possible without our people's participation. Without the determined participation of the fighters, workers, peasants, professionals, producers, Christians, and other people of our society, we would have never come to power in July 1979. Furthermore, we would have never relegitimized our power in the 1984 elections and we would have never been able to defend our power for all these years.

2. Our determination has allowed our people to strategically defeat the mercenary aggression organized by the Reagan administration. It has also served to show how useless and mistaken the former U.S. president's policy was, thus opening a new perspective for Nicaragua and for the Central American region. Since the Esquipulas agreements were signed, our people—never ceasing to defend themselves against counterrevolutionary terrorism—have institutionalized their system of democracy, reinforced political and public freedoms, and devoted themselves more strongly to facing the country's serious economic problems, which have accumulated over so many years of military, economic, and political aggression.

Their efforts are currently being directed at seeking a socioeconomic agreement between Nicaraguan workers, peasants, and businessmen and at attaining a necessary level of understanding between the country's various political forces, to perfect democracy within the current framework of political pluralism.

3. The people's political willingness was a fundamental factor that contributed to the signing of the Central American presidents' agreement in El Salvador. This agreement encompasses the Nicaraguan and Central American people's desire for peace, which is essential for the region's future.

This is why we assure that Nicaragua will fully honor the agreement. We call upon the international community to support the agreement—which all Central American governments are committed to uphold—and to ensure that the agreement is honored.

The people, Congress, and Government of the United States must honor their country's true democratic traditions by supporting this desire of the Central American people and by contributing toward its fulfillment.

4. The struggle for peace strengthens us and makes us greater. As we set aside personal interests, we will clear the way for a more harmonious, dignified, and humanistic life for all Central Americans.

In our country, workers, peasants, professionals, members of religious groups, producers, businessmen, political parties, and all the people must strengthen this opportunity for peace while working for the defense of our economy.

The nation's interests should prevail over personal interests. Our militants and followers should support the efforts that our people demand for compliance with the Salvadoran agreements, for peace in Central America, for the struggle against inflation, and for the gradual and sustained improvement of our economy.

Only through the unity of the broadest social sectors, by joining all our wills and strength, will we achieve a firm and lasting peace, heal the wounds of war, improve our democracy, and establish the bases for the well-being and future of our people.

5. In February 1990, we will again hold free and honest elections. The world will witness the compliance of our commitment. On that date, our people will chose their rulers and we will strongly respect their will.

The FSLN and other political parties are responsible for having our elections serve as an example for the international community. We Sandinists will help create the best conditions for that.

6. We have achieved great victories in the struggle for peace and made progress in defeating the counterrevolutionary forces. Today there is an air of international detente in the world; negotiations are prevailing as the means for solving conflicts. Latin America today is more united, with more independent stands on solving its main problems. With the Salvadoran agreements, there are new chances of finding a solution to the Central American conflict. We ratify our willingess for peace, and we commit our greatest efforts for achieving permanent peace so all Central American nations will fully achieve justice, freedom, democracy, and a respect for the human rights of those who struggle for peace.
Free fatherland or death!
Tomas Borge, Humberto Ortega, Bayardo Arce, Victor Tirado, Henry Ruiz, Carlos Nunez, Daniel Ortega, Jaime Wheelock, Luis Carrion
Managua, 18 February 1989

Venezuela To Provide Advice on Elections
PA2302182089 Managua Radio Sandino in Spanish 1200 GMT 23 Feb 89

[Text] Following talks between Venezuelan President Carlos Andres Perez and Carlos Delgado Chapellin, president of the Venezuelan Supreme Electoral Council [CSE], Venezuela has agreed to advise Nicaragua on next year's presidential elections. Nicaragua wants to hold elections similar to the elections held in Venezuela, President Perez said. In Venezuela, elections are entirely impartial, there is absolute freedom during the campaign, and the will of the people is respected.

Delgado Chapellin said the CSE will send a delegation to Managua to observe the country's situation and consult with the political parties in order to provide technical advice.

Rights Group Requests Pardon for Somozist Guards
PA2302212789 Managua Radio Sandino in Spanish 2023 GMT 23 Feb 89

[Text] The National Commission for the Promotion and Defense of Human Rights [CNPPDH] has sent the Nicaraguan Presidency a list of former Somozist guards who are imprisoned and who may qualify to receive a pardon. It will now be up to the Presidency to lengthen or shorten the list the commission has presented.

As of last year, the CNPPDH successfully arranged pardons for 2,292 prisoners, two-thirds of whom were former Somozist guards. According to the following report by CNPPDH official Maritza Cordero, the commission a'so managed to obtain a house arrest status for eight prisoners whose health conditions warranted such an arrangement.

[Begin Cordero recording] One of the CNPPDH's principal tasks is to arrange pardons for prisoners, and it has been doing so since 1980. From 1980 to 1988, 2,292 prisoners have received pardons. Two-thirds of these prisoners were former Somozist guards. In this regard, last year the CNPPDH took the necessary judicial steps to arrange a house arrest status for several former Somozist guards. In our opinion, such a status was warranted because of their health conditions.

We have just sent a recommendation to the Nicaraguan Presidency proposing a pardon for a large number of former Somozist guards who are currently in prison. [end recording]

Defense Ministry Reports 22 Feb Copter Crash
PA2302222789 Managua Radio Sandino in Spanish 2154 GMT 23 Feb 89

[Defense Ministry's Public Relations Office Communique No 3 issued in Managua on 23 February]

[Text] The Nicaraguan Defense Ministry hereby reports that on 22 February 1989, at 1430, a Sandinist Air Force MI-17 helicopter, registration No 314, supplying EPS units in the Atlanta area, South Atlantic autonomous region, had an accident and crashed. The crew escaped uninjured.

The Sandinist Air Force and the Antiaircraft Defense have created a technical commission to establish the reasons for the accident.

Managua, 23 February 1989
Public Relations Office
Defense Ministry

Panama

New Foreign Press Requirements Announced

PA2402021389 Panama City ACAN in Spanish 0037 GMT 24 Feb 89

[Text] Panama City, 23 Feb (ACAN-EFE)—The Panamanian Government today released new requirements for foreign reporters assigned to Panama. One of the new requirements is that their documents should be "duly authenticated" by the Panamanian consul in the country where the media headquarters and reporter are based.

According to a resolution issued by the Journalists Technical Board, which is a government and Justice Ministry agency, reporters accredited as foreign correspondents must present documents that prove the existence of the media they represent and pay $20 for the card that accredits them as such.

Their documents must be authenticated by the Panamanian consul in the country where the media and its reporter are based, the resolution points out.

These new requirements were established 2 days after Panamanian Government sources denounced the existence of a propagandist "strategy" aimed at "tarnishing the image of" [disfigurar] the elections, under the direction of the United States, Costa Rica, and Venezuela.

According to the National Information System, seminars are being held in Miami, Caracas, and San Jose for foreign reporters who are being instructed in "reporting guidelines," after which they are sent on special missions to Panama.

Opposition Party Active in Election Process

Leader Urges Impartiality

PA1702130489 Panama City Circuito RPC Television in Spanish 2300 GMT 14 Feb 89

[Interview with Alfredo Ramirez, president of the Nationalist Liberal Republican Movement, by unidentified reporter; date and place not given—recorded]

[Text] [Ramirez] Despite the government's promise to be impartial during the upcoming elections, all signs point to a tremendous bias toward the [government-backed] official candidates. Although the Constitution bans having official candidates, all of the government's resources, transportation, and public buildings and funds are used to promote the official candidates. If the government is not impartial, we can right now consider the elections to be fraudulent. However, the opposition believes that its strength is so large and the support from the community so strong that the opposition candidates will attain a resounding victory in the upcoming elections, despite the government's bias.

[Reporter] You talk of the government's bias in these elections; how do you feel the government should behave regarding the elections?

[Ramirez] It should be officially impartial. It should be totally impartial. Impartiality means not using state resources to favor any candidate, and handling the elections honestly. It should handle the entire electoral process in the proper manner without any intention of favoring one or another candidate. That is the only way the elections can solve Panama's political problem.

Reportedly Undermining Elections

PA1802023589 Panama City MATUTINO in Spanish 16 Feb 89 p 1

[Article by Roberto R. Rodriguez: "Gruesome Plan Seeks To Create Mistrust in Elections"]

[Text] Political adversaries and enemies of the government have set in motion a gruesome plan to make the U.S. Administration extend on 19 April the economic sanctions Ronald Reagan imposed on Panama in 1988.

The plan to create confusion, chaos, and violence and to take U.S. President Bush by surprise also consists of promoting distrust in the elections in order to justify the opposition's political and organizational inability to cope with the May 1989 elections.

These same political leaders, most of whom belong to the political parties that represent the wealthy classes and that have business dealings with radically conservative U.S. companies, are the ones who "endorsed" the criminal sanctions and coercive economic measures imposed on the Panamanian people in 1987 and 1988.

These measures, as reports and observations demonstrate, only affect the poor. Seventy-five thousand people have been left unemployed, health services have decreased, and the economy is 50-percent inoperative.

A radio station commentary meanwhile has confirmed the link between the opposition's plan to promote a "poor image of the electoral process," scheduled to take place on 7 May, and the plan to secure an extension of the economic sanctions originally imposed by Reagan, which are aimed at maintaining an economic grip on the Panamanian people and gaining the opposition's ultimate victory in the elections, after which they would allow the U.S. military to stay in Panama beyond the year 2000.

Opposition 'To Distort' Reporting

PA2302164289 Panama City Televisora Nacional in Spanish 2300 GMT 21 Feb 89

[Text] The plans of the opposition groups connected with the U.S. have revealed the implementation of a political propaganda strategy to distort the honesty and purity of the elections process ending 7 May. The purpose is to cast doubts on the election results.

The plan consists of holding seminars in several Central and South American cities for carefully selected local and foreign journalists to brief them on guidelines in writing their reports so readers will perceive a distorted and nonobjective opinion, inclined toward the U.S. plans, which is supported by the ticket presided over and managed by the Panamanian Christian Democratic Party [PDC].

One of the PDC ideological and political information offices is installed in Caracas, Venezuela, where all the opposition, pro-U.S. political propaganda is designed and produced. The Authentic Liberal Party and the Nationalist Liberal Republican Movement economic group [as heard] are also part of this plan.

Holds Political Rally in Chiriqui

PA2402044989 Panama City Circuito RPC Television in Spanish 1700 GMT 20 Feb 89

[Report from Chiriqui by Aurelio Nunez Concepcion]

[Text] An opposition rally was held on Saturday at the Manuel de J. Garcia House of Culture in David. Guillermo Endara, Ricardo Arias Calderon, and Guillermo Ford, who comprise the opposition slate for the upcoming presidential elections, made a triumphant entry into the hall. Here is a portion of Guillermo Endara's speech:

[Begin Endara recording] The Civic Democratic Opposition Alliance [ADOC], through its top spokesmen, has proclaimed that it will wage a lofty campaign as an authentic expression of its democratic leanings. The ADOC will not defend diatribe. It will not brandish the ignoble weapons of defamation and slander. It will not resort to insults or groundless reports to combat its adversary. From now on, we want the clean conduct our party will observe during the electoral campaign to be an unmistakable sign of our intention to clean up the administration the moment we assume power, because we will reach power. [applause and slogans] [end recording]

We will now hear some of what Guillermo Ford had to say at this rally at the House of Culture on Saturday:

[Begin Ford recording, in progress] ...a very special meaning. When I came here as a businessman, Chiriqui welcomed me. When I came here as a man searching for justice, Chiriqui welcomed me with the same warmth. Tonight as I come before you with a political challenge, you have also welcomed me with the warmth that is characteristic of Chiriqui. [applause] Here in this land [applause] where battles of historical significance to this country have been waged, it is necessary to make specific promises that the ADOC will subsequently fulfill through its presidential ticket, because the era of lies has come to an end. [applause and shouts] [end recording]

Arias Calderon attended the rally as well and gave a brilliant speech before a large number of Chiriqui residents at the House of Culture.

PPA's Nicosia Meets FDP Representatives

PA2402013689 Panama City Circuito RPC Television in Spanish 2327 GMT 23 Feb 89

[Report on news conference by Hildebrando Nicosia, presidential candidate of the Authentic Panamenist Party, PPA, and Colonel Arnulfo Castrejon, representative of the Panama Defense Forces, FDP, following a meeting between PPA and FDP members at PPA headquarters in Panama City on 23 February—recorded]

[Text] [Nicosia] We thank the FDP commission, which allowed us to hold a dialogue for 3 hours to explain at length our political and economic proposals and above all to speak for the benefit of the fatherland, because we are all Panamanians. We all know very well that with the cooperation of all Panamanians we are going to solve the country's crisis, because we all want a better Panama. We all want to dispel the belief that some of us are friends and some of us are enemies. We want Panama to be again the little paradise it was and should be in the future. One of the most important things that the FDP members told us was that they will ensure that the elections will be as impartial as possible and that guarantees will be given so that the votes will be freely cast and honestly counted. I think this is their promise and a guarantee that there will be clean elections. The people will be in the streets ready to demand this. We have agreed that this is not the first or last meeting, but the beginning of a series of talks, so it will be apparent to everyone that the PPA is prepared to attain power and that the FDP is going to take into consideration the strength of the poor people in the streets.

[Reporter] What is the opinion of the military?

[Castrejon] Well, the FDP and General Noriega are willing to speak with all political parties and to exchange opinions to achieve progress and development in the country. We have exchanged opinions with the PPA, with Nicosia and his work team. We think the PPA's position is very wise. We are going to discuss and evaluate it, and we will soon reveal the results of this talk.

[Reporter] Will there be a rapprochement with other opposition parties?

[Castrejon] If they so desire, we have the doors of the garrisons open to listen to all good Panamanians.

[Reporter] Was there talk of a transition government?

[Castrejon] There was no talk of a transition government.

[Reporter] What were the main PPA criticisms of the FDP?

[Castrejon] There were very few. We mainly discussed domestic issues of concern to the party. It is always said that we have been involved in our country's political life, but this has to be the case since the people ask that we be involved. That is why we are always involved in matters that the people want solved by the FDP.

[Nicosia] I want it clearly known that [late PPA leader] Dr Arnulfo Arias was always a great patriot who did not hold grudges and who was not selfish. He provided a great example when he returned to the country and very unselfishly said that what he wanted was the unity of all Panamanians. We are his faithful disciples and we follow his legacy.

[Reporter] But Arnulfo Arias accepted President Delvalle as the country's president after he had already been (?ousted).

[Nicosia] That is a lie. In an official communique on 14 March 1988, the PPA had Dr Arias rectify his position, saying that he did not agree with his previous position, which he had been deceived into adopting. That is why he rectified his position. He also said that there had been fraud in 1984, and he demanded that the Presidency be turned over to him.

[Reporter] How do you explain the fact that a week ago you spoke about dictatorship and today you agreed to meet with the FDP?

[Nicosia] You are trying to distort what I said. I did not speak of dictatorship. I simply said that guarantees are needed so that this country will have clean elections. That is precisely what we spoke with them about, so that there will be such guarantees. We believe that over the past 20 years this country has experienced a revolutionary process that did not result in a real revolution, as has been claimed. Proof of this is that if you read my own statements and those of the PPA, it will be clear that we constitute an independent opposition to civilian and military oligarchies.

ADOC's Ford on Elections, FDP Proposal

PA1802232789 Panama City Telemetro Television in Spanish 2300 GMT 16 Feb 89

[Interview with Guillermo Ford, candidate for second vice president representing the Civic Democratic Opposition Alliance, ADOC, by unidentified reporter; date and place not given—recorded]

[Text] [Ford] On Saturday, we will attend a meeting of the Women's Civic Group at the Bella Vista movie theater. Later, the three ADOC candidates will leave for David City, Chiriqui Province, to attend a rally at 2000. On Sunday, we will hold another rally in Santiago, Veraguas Province. The next weekend we will visit the central provinces, because the ADOC ticket wants to visit the entire country to bring our message to all the Panamanian opposition.

[Reporter] How have the people reacted so far to the opposition's views early in the campaign?

[Ford] I must say with great satisfaction that the Panamanian opposition is making an impact by speaking the truth. The opposition slate will not lie and will make specific proposals in due time. In the past, a series of unrealistic reports have been presented on how to solve problems regarding jobs, education, agriculture, and health. Once and for all, we must open peoples' eyes and tell them what is really happening in Panama, not only by analyzing the problems but by specifically and plainly stating the solutions the ADOC government will implement beginning in September 1989 [date new administration takes office].

[Reporter] Have there been any changes to the opposition's reaction to the Panama Defense Forces' [FDP] call for a dialogue? The ADOC has been rebuked for not agreeing to the meeting.

[Ford] I said and the Nationalist Liberal Republican Movement clearly said that the FDP's involvement in partisan politics constitutes a flagrant violation of Article No 305 of the Constitution. The Constitution strictly forbids it. Moreover, we have absolutely no business discussing politics at the FDP headquarters. If the FDP commander and the general staff have any proposal to make to the Panamanian people, they should openly say so. We would be ready to study any proposal they make, but there is no reason for us to go to the FDP headquarters to discuss politics. I feel the people of Panama, not the FDP, will decide Panama's future.

Archbishop Urges Support for Elections

PA2002235089 Panama City Circuito RPC Television in Spanish 1700 GMT 20 Feb 89

[Text] After meeting with high-ranking Electoral Tribunal officials, Archbishop of Panama Msgr Marcos Gregorio McGrath has stated that if there is a desire to hold elections, they can take place.

The archibishop added that no political party will be able to carry out an effective campaign unless there is adequate communication, guarantees that there will be no arrests or detentions, and opportunities exist to hold meetings in Panama City or elsewhere in the country.

The archbishop of Panama also said he was pleased to learn that the mayor of Panama City has approved a Civic Democratic Opposition Alliance march and rally slated for 2 March.

Rights Group To Visit 26 Feb; Rally 2 Mar

PA2102173989 Panama City Circuito RPC Television in Spanish 2300 GMT 20 Feb 89

[Statement by Christian Democratic Party (PDC) President Ricardo Arias Calderon; date and place not given—recorded]

[Text] The visit by the OAS Inter-American Human Rights Commission is very important for our country. This commission has spent years closely following the human rights situation in Panama and courageously reporting the systematic violations of these rights among us.

I understand the government tried to delay this visit and, thank God, the commission insisted on keeping the original date. According to a report I have, the commission will arrive at 1900 on 26 February.

Therefore, it is very important that when the commission members are here, Panamanians voice our demands that human rights be respected and elections be held freely.

The march that the candidates of the Civic Democratic Opposition Alliance announced for 2 March is a way to tell the international community, through the human rights commission, about the current Panamanian situation and our demand that human rights be respected so elections can be free.

ADOC Complains of Electoral 'Irregularities'

PA2302143989 Panama City Circuito RPC Television in Spanish 2300 GMT 22 Feb 89

[Text] Only a few months away from the important May presidential elections, the political parties that compose the Civic Opposition Democratic Alliance [ADOC] have repeatedly denounced what they have described as serious irregularities within the electoral process. Some opposition parties have said the government is preparing to hold elections in which the people's wishes will not be respected. Early this morning, ADOC first vice presidential candidate Ricardo Arias Calderon visited the Panama Electoral Tribunal [TEP] to inform the TEP magistrates he is not happy with the problems that keep arising:

[Begin Calderon recording] First, we demand that a list of the government-run media be published so the opposition parties may exercise their rights to have access to that media, especially Radio Nacional, which is currently being used as an instrument for the National Liberation Coalition [COLINA] and not as a national radio station. In accordance with the Constitution and the law, we have demanded that the opposition parties, especially the Christian Democratic Party [PDC], be allowed to use Radio Nacional.

Second, Chorrera legislator Raul Ossa and Ermel Rodriguez, secretary general of the Veraguas chapter of the PDC, have pointed out some serious omissions in the Electoral Registry. For example, in La Pena Corregimiento, Santiago District, many people whose names had appeared in the draft Electoral Registry have now been excluded from the final Electoral Registry. We have also found that some people have been assigned voting sites that are hours from where they live.

We would also like to mention other things that worry us. For example, TEP accepted changes to COLINA's list of candidates after the deadline for nomination expired. If we were to compare the list of candidates published by COLINA before 7 February with the list to be published as soon as possible by TEP, we fear we are going to find serious discrepancies that must be explained so TEP's work will not be further discredited. [end recording]

Meanwhile, TEP Secretary General Carlos Bonilla denied there are discrepancies in the Electoral Registry:

[Begin Bonilla recording] If they can prove these changes were made—I am not trying to say Carlos Arellano Lennox lied, but I doubt this has happened—they must present proof. They have every right to come here, as Ermel Rodriguez did, to ask to see our records. We will simply show them our list, and they can check it. If they find discrepancies, we will simply correct them—if corrections are in order. [end recording]

Weekly Review of Political Situation

PA2302124889

[Editorial Report] The following is a review of material from Panamanian and regional media related to the current political situation in Panama. This review covers the period from 14 to 20 February and includes some items that have been processed in fuller form.

Domestic Political Developments

Noriega Proposal to Opposition

General Manuel Antonio Noriega's invitation to the "opposition parties' presidential and vice presidential candidates" to hold a dialogue received extensive media coverage during the week in review.

Panama City Telemetro Television on 14 February carried a report on the Civic Opposition Democratic Alliance's (ADOC) refusal to meet with Gen Noriega. ADOC Presidential Candidate Guillermo Endara said "they should not ask us to humiliate ourselves; we are not asking them to humiliate themselves. We would accept a dialogue under the same conditions we have always stated... the separation of the Panama Defense Forces' (FDP) commander in chief from the military institution and the military's return to its headquarters..." A similar report was carried by Panama City MEDIODIA on 15 February.

On 20 February, Panama City Circuito RPC Television carried statements by Gen Noriega on ADOC's refusal to hold talks. Noriega said that "this is already a thing of the past... I would rather not give you my opinion... common sense advises silence in the face of intransigence."

Columnist Ricardo Lince, in his "Let the People Judge" column in Panama City MATUTINO on 16 February, recalled that for a long time "ADOC has been expressing the need for talks with the FDP, the center of power in Panama." Lince writes that now that ADOC has been invited to talk, it is "nervous...and conditioning the talks to Gen Noriega's retirement." Lince adds that this is all part of "Washington's strategy."

Meanwhile, on 15 February, Panama City LA ESTRELLA DE PANAMA carried a Hamburg DPA dispatch in which ADOC Presidential Candidate Guillermo Endara "vowed not to extradite Gen Noriega to the United States if elected president of Panama in the upcoming 7 May elections."

Also on the ADOC's refusal to meet with Noriega, Panama City CRITICA on 15 February carried an unattributed article stating that the "recent statements by leaders of the so-called ADOC is further proof that they are following the instructions of their blond masters to promote chaos and unrest in the country." ADOC is what is "turning the city streets into a no-man's-land and creating problems for the economy...." The unattributed article concludes by stating that "the spokesman for the blond masters in Washington is the Christian Democrat, Ricardo Arias Calderon."

Authentic Panamenist Party Activities

On 17 February, LA ESTRELLA DE PANAMA carried the text of a letter from Hildebrando Nicosia, presidential candidate for the Authentic Panamenist Party (PPA), to Gen Noriega and the FDP General Staff, inviting them "to attend a formal meeting with all members of our national directorate and with the PPA's Nicosia-Diaz-Ponce ticket... to explain to you the PPA's government, economic, and political plans..." A similar report on the invitation was carried by Panama City LA REPUBLICA on 16 February.

MATUTINO's 17 February editorial stated that ADOC is "afraid of a dialogue." MATUTINO continued to praise the PPA for inviting the FDP to a dialogue and described the invitation as a sign of "political maturity." The editorial suggested that ADOC follow this example but concluded by stating that ADOC knows "it would have nothing substantial to say once confronted with proof of what the ruling party has done over the past 20 years."

In an article by Mario Martinez Puente in CRITICA on 17 February, Nicosia charges that "the gringo's puppet candidates... offered him more than $1 million to withdraw his nomination." MEDIODIA on 17 February carried a brief unattributed article in which ADOC candidate Guillermo Endara said "he will not even bother to answer Nicosia's charges."

ADOC Activities

On 14 February, Panama City MEDIODIA carried an unattributed report on ADOC's plans to ask Panama City Domestic Service for 1 hour of broadcast time. In addition, Circuito RPC Television on 14 February reported that ADOC representatives visited Panama City Mayor Jilma Noriega de Jurado to request permission to hold a rally on 2 March. According to ADOC sources, "the democratic principles promoted by the organization will be expressed" during the 2 March rally. A similar report was carried by Panama City Televisora Nacional on 14 February.

Meanwhile, Circuito RPC Television on 14 February carried statements by Alfredo Ramirez, president of the Nationalist Liberal Republican Movement (MOLIRENA), who expressed continuing doubts regarding the government's promises to carry out "impartial elections." Ramirez said that "if the government is not impartial, we can right now consider the elections fraudulent." He added that "impartiality means not using state resources to favor any candidate and handling the elections honestly."

MEDIODIA on 15 February carried an unattributed report on statements by Carlos Duque, the National Liberation Coalition (COLINA) presidential candidate, who responded to such concerns by saying that "the opposition is currently suffering from something called the "defeat anticipation syndrome." The report cites Duque as saying the opposition was "defeated" the moment it began talking of "fraud" in the elections.

On 16 February, MATUTINO carried an article by Roberto R. Rodriguez on a "gruesome plan" designed by the opposition to create an atmosphere of "distrust in the elections." According to Rodriguez, the ultimate goal of the plan is to make "the U.S. Administration extend on 19 April the economic sanctions Ronald Reagan imposed on Panama in 1988." According to the article, the plan also aims to "justify the opposition's inability to cope with the May 1989 elections."

During the week, ADOC again rejected charges that it is receiving money from the United States. LA ESTRELLA DE PANAMA on 14 February carried a brief report on ADOC presidential candidate Guillermo Endara's denial of these charges. In his "Lancer" column, carried by LA REPUBLICA in its 15 February issue, "Mustafa" contends that the opposition is "incapable of sticking its hands into its own pockets to finance its political campaign" but must set up foreign and domestic front organizations to bring in money. Mustafa points to the "Friends of Ancon" organization as an example. The article states that the opposition is "fooling no one" and that its only goal is to "achieve power, even if this means becoming puppets of the United States."

On 14 February, LA ESTRELLA DE PANAMA carried a brief unattributed report on the "possibility" that the faction of the Liberal Party headed by former Panamanian Vice President Roderick Esquivel will register the "Progressive Liberal Party some time this year." Circuito RPC Television on 14 February carried statements by Oscar Ucros, member of the Liberal Party faction led by Esquivel and secretary general of the Progressive Liberal Party in formation, announcing that the party in formation is contesting the COLINA slate. According to Ucros, "the Liberal Party convention in January," at which the party representatives who expressed support for the Carlos Duque-Ramon Sieiro-Aquilino Boyd slate were chosen, was not "legal." Ucros reportedly based this statement on the fact that the Panama Electoral Tribunal (TEP) had previously ruled that the Liberal Party convention in August was held in accordance with the law.

Two opposition setbacks were also reported. First, the opposition learned that TEP had officially rejected Mayin Correa's nomination for legislator. MEDIODIA on 16 February carried an unattributed report stating that Mayin Correa's nomination was rejected "because she has not been living in the country for the past year." Second, Paris AFP on 20 February reported that a Panamanian "district attorney today ordered the arrest of opposition leader Alberto Conte, who will try to return to Panama on Sunday (19 February) with an Inter-American Human Rights Commission delegation." Circuito RPC Television on 20 February carried statements by Conte's wife, Rita, who said she had been informed that her husband is wanted "for questioning."

COLINA Activities

The COLINA candidates were reported to host a breakfast early this week for the press. LA ESTRELLA DE PANAMA on 14 February carried an article by James Aparicio, which cites COLINA presidential candidate Carlos Duque as saying during the breakfast that the COLINA candidates "are not enemies of the United States." According to the report, Duque also predicted that COLINA will defeat ADOC in the upcoming elections, adding: "We are going to establish a government of national unity." LA ESTRELLA DE PANAMA on 16 February carried another article by James Aparicio on statements made by ADOC second vice presidential candidate Guillermo Ford, who reportedly said that he was "pleased" to hear Carlos Duque's remarks on his willingness to have good relations with the United States. Ford added that "when partners have differences, the important thing is to resolve them."

The COLINA candidates began campaigning throughout the country this week. Panama City Telemetro Television on 14 February carried a report on Duque's tour of the Bayano area and his visit to Aguas Claras, where he "formally declared his election campaign open." A CRITICA editorial on 16 February praised Duque's tour of the Bayano area and added that Duque "has shown us the path he will follow throughout his election campaign."

On 16 February, LA REPUBLICA carried an article by Garritt H. Geneteau on the COLINA presidential candidate's meeting with members of the Democratic Revolutionary Party's Public Workers Front. According to the article, Duque stressed and praised during the meeting "the important role being played by the Finance Ministry during what has become the worst moments of the crisis." The COLINA candidate is also cited as saying that the "country's small and medium-sized enterprises are essential for Panama's economic development." Commerce and Industry Minister Isaac Hanono, Housing Minister Ricardo Bermudez, and Deputy Foreign Minister Jose Cabrera reportedly attended the meeting.

The COLINA candidates also conducted a 9-hour tour of Bocas del Toro Province. A report by James Aparicio carried by LA ESTRELLA DE PANAMA on 20 February stated that during his tour of Bocas del Toro, Duque said that "Torrijism will once again rule the country, and we will use Torrijism to solve the people's problems." The COLINA candidates also met with leaders of the Guaymi Indians, who reportedly described the COLINA slate as "the slate of dignity."

In statements to LA ESTRELLA DE PANAMA, and carried in its 18 February issue, Carlos Duque is quoted as saying that "Panama has a social peace that other so-called democratic countries wish they had." In remarks cited by the newspaper, Duque defined the word democracy as "health, education, and work." He said he regretted the fact that the ADOC leaders have decided not to meet with Gen Noriega but said he respects their decision. The COLINA candidate also said that the organization he heads has asked that the trial "of the seven persons being held and charged with alleged attacks against state security" be expedited.

Electoral Tribunal Activities

In response to a report carried by MEDIODIA on 13 February regarding the "alleged sabotage" of "TEP's computer data bank," LA ESTRELLA DE PANAMA on 14 February carried a report by Claudio Herrera citing TEP official Rosa de Him, who reportedly said that the alleged sabotage of the computer "will not cause delays." Mrs Him informed the press that unidentified persons "had removed a device that supplies power to the computer." Meanwhile, MEDIODIA on 14 February cited TEP President Yolanda Pulice de Rodriguez as saying that the computer was "not sabotaged." She said that "as the result of a theft, the computer experienced a 3-hour power outage." MEDIODIA also reported that the TEP has adopted "new security measures." A similar report was carried by CRITICA on 15 February.

In a 14 February LA REPUBLICA article, Reinaldo Labastide Cuadra reported that TEP has reviewed the documents it has received from all the candidates. According to TEP sources, 16,000 candidates will be running for the offices of legislator, representative, and

councilman. MATUTINO on 14 February carried an article by Roberto R. Rodriguez stating that "95 percent of the candidates nominated have been accepted by TEP and 5 percent were rejected because they failed to submit all the documents requested or to meet specific legal requirements." A similar report was carried by MATUTINO on 15 February. In addition, an article by Cristobal Martinez carried by LA REPUBLICA on 17 February states that TEP has not been able to publish the list of candidates because the "legal representatives of some opposition parties" have yet to advise TEP that the draft list has been accepted.

On 16 February, MEDIODIA reported on a visit to TEP by Msgr Marcos Gregorio McGrath and members of the Panamanian Episcopal Conference. The clergymen, who met with TEP Secretary Carlos Bonilla, were interested in learning "if TEP is ready for the elections." TEP sources described the clergymen's visit as "positive." Circuito RPC Television on 20 February carried statements by Msgr McGrath following his visit to TEP. Msgr McGrath said that "if there is a desire to hold elections, they can take place."

Relations With the United States

The Panamanian Government this week was reported to have investigated Budget Rent-A-Car following recent charges that rental vehicles are being used for "espionage activities." Telemetro Television on 17 February carried statements by Eduardo Marquez, general manager of Budget Rent-A-Car, concerning the Finance and Treasury Ministry's investigations into his company, which are being conducted "because vehicles are being rented to Americans." Marquez explained that "the vehicles were taken to the National Directorate of Land Traffic and Transportation and are being held by the Customs Directorate." MATUTINO on 20 February carried the text of a communique issued by the Panamanian National Rental Car Association expressing its "full support of Budget Rent-A-Car of Panama, S.A." and requesting the "support of all private businesses and associations that deal with tourism."

The media also reported the arrest of three U.S. citizens this week. Televisora Nacional on 16 February reported that "two U.S. citizens were arrested last night (15 February) in military areas in Rio Hato. They were carrying a map that was marked with key points of the country, a camera, film, travelers' checks, and diving accessories." The two U.S. citizens were identified as George Irving Pittard and Owen Norris Seller. According to Televisora Nacional, these arrests have "increased the evidence against U.S. citizens, who are constantly violating the Panama Canal treaties." A similar report and a photograph of the two men is carried by LA ESTRELLA DE PANAMA on 17 February. A third U.S. citizen was arrested in the Tocumen area. LA REPUBLICA DOMINICAL on 19 February carried a report on the arrest of U.S. Army Lieutenant Roger Muskat who was "taken by surprise as he was aiming his binoculars toward the garrison of the FDP 2d Company at Tocumen."

Meanwhile, AFP on 20 February carried a report on U.S. soldiers moving from their homes in Panama to Albrook Air Station. According to AFP, the sudden evacuation was the culmination of "efforts by the Panamanian Housing Ministry to pressure the United States into paying 2 years of back rent." Circuito RPC Television on 20 February carried statements by Housing Minister Ricardo Bermudez that public services to residents in the reverted areas were suspended because "we intend to collect the money—which is way overdue—that the occupants of these residences owe the Panamanian Government.... They owe about $1 million."

Commentator Luis Manuel Martinez, in his "Today in the World" column carried in the 15 February issue of CRITICA, reported on forthcoming changes expected at the U.S. Embassy in Panama City. According to Martinez, some embassy officials who will be leaving are "[U.S. Ambassador] Davis, [DCM John] Maisto, [Assistant Public Affairs Officer] Cynthia Farrell, and others from the seditious clan." Martinez concludes by asking "to whom will the new ambassador present his credentials?"

MATUTINO, on 17 February, carried an article by Roberto E. Rodriguez that reported: "The U.S. Embassy in Colombia has ordered strict press censorship...to hide the truth about gunrunning operations for the rebel forces and their connection with a Southern Command officer." The article adds that the U.S. Embassy in Colombia "complained that it was the victim of an 'alarming disinformation campaign in Panama.'"

Meanwhile, the 18 February issue of LA ESTRELLA DE PANAMA carried an article by James Aparicio citing John Maisto as saying that the United States views the elections in Panama "as a political solution" to the crisis. The paper also reported Maisto denying that U.S. Army officers are involved in weapons trafficking to Colombia and describing reports that have appeared in progovernment newspapers as "lies."

LA REPUBLICA DOMINICAL on 19 February carried an unattributed article criticizing General Fred Woerner, commander in chief of the U.S. Southern Command. The report describes Woerner as "doomed by fate to never amount to anything," and as someone who lacks "the ability and skills to get ahead."

Beginning on 13 February, Panama City Domestic Service was observed to carry a 3-minute news segment in English. The same cast was heard on 14, 15, 16, and 17 February. The newscast is provided "as a special service for English-speaking tourists visiting our country, the English-speaking community residing in Panama, and the neighbors who temporarily occupy our canal basin area...."

Relations With Other Countries

Comments on Venezuelan President Carlos Andres Perez' views on Panama continued to be heard this week. MEDIODIA on 14 February carried an unattributed report on statements to the press by Gen Noriega. According to the report, Gen Noriega "denied having received a message from Venezuelan President Carlos Andres Perez."

Panamanian Legislative Assembly President Celso Carrizo also remarked on Perez' views. MEDIODIA, also on 14 February, reported that Carrizo criticized Perez for "meddling in our domestic affairs." Carrizo added that "the ruling party and the opposition have decided to solve Panama's problems with an election." Meanwhile, Televisora Nacional on 14 February carried an interview with Manuel Solis Palma, who said that he feels that Perez' sudden change of attitude toward Panama is a common position in Latin America today, explaining: "Let us not forget that Bush said a long time ago that the United States' arm is very long."

In his "Political Forum" column carried by CRITICA on 14 February, Baltazar Renan Aizpurua carried the text of a letter sent by the Women's Single Front Against Aggression (FUMCA) to Venezuelan President Carlos Andres Perez. In its letter, FUMCA expressed surprise at Perez' statements and asserted: "We, the Panamanian women...are loyal to Gen Noriega"; and "we will not forget that you have offended our patriotic dignity by meddling in our internal affairs...." FUMCA concludes its letter by stating: "We tell you and your accomplices, who like you hide themselves under a false cloak of democracy, that your maneuvers to colonize us will fail....In conclusion, Mr President, we warn you that we will not hesitate to ask the Venezuelan Revolutionary Forces for their support to confront the U.S. imperialists once and for all and to punish its agents...."

Televisora Nacional on 16 February reported that Panama and Angola "have established formal diplomatic relations at the ambassadorial level." The announcement was made in a communique issued by the Panamanian Foreign Ministry.

On 17 February, MEDIODIA carried a brief report on statements by People's Party leader Cleto Sousa who said that "800 Panamanians have graduated from the Patrice Lumumba University in the USSR" as a result of a scholarship program the party began 25 years ago.

Reaction to Nicaraguan Canal Proposal

MEDIODIA on 14 February carried an unattributed article on statements by Carlos Ozores, Panamanian representative at the Panama Canal Commission Board of Directors, regarding Nicaragua's announcement to "begin the construction of a sea-level canal." Ozores said that "I think this information will be of use to the United States." MEDIODIA cited the Panamanian representative as stating he felt that work to widen the Gaillard Cut must begin immediately.

Meanwhile, CRITICA on 17 February carried an article by Roberto R. Rodriguez stating that "Japan has reiterated its willingness to continue working with Panama on feasibility studies on alternatives to the current Panama Canal." The article says a high-ranking Japanese official said that "Japan cannot help Nicaragua carry out its plans to build a canal...because of its diplomatic commitments with Panama and the United States."

Economic Developments

LA REPUBLICA on 14 February carried a report by Reinaldo Labastide Cuadra on statements by Alejandro Vernaza, director of La Victoria Sugar Corporation, who said that "approximately 7,000 jobs will be available now that the sugar harvesting season has begun." Vernaza added that the production of "450,000 metric tons of sugar" is expected this year. Meanwhile, MEDIODIA on 16 February carried an unattributed article citing an unidentified source as reporting that the Executive Branch had decided to "substitute" the private sector's sugar supply to the country's market with "state-produced sugar." The article says that the idea behind this plan is to "increase the nation's sugar production." Private producers, the article says, feel this decision "will harm the economy."

Telemetro Television on 14 February reported that a meeting took place at the Presidential Palace to discuss "significant issues concerning the country's socioeconomic situation and particularly the government's financial situation." The meeting was attended by Manuel Solis Palma, Gen Noriega, Banco Nacional General Manager Rafael Arosemena, and Colonel Marcos Justines, chief of FDP General Staff.

On 15 February, Telemetro Television also reported that Ricardo Levy, director of the Panamanian Treasury Ministry General Revenue Directorate, said that in January 1989, his office had "collected 43.5 million balboas in taxes...70 percent of the amount we collected in January 1988."

Statements by Deputy Labor Minister Victor Collado were carried by LA ESTRELLA DE PANAMA on 15 February. According to Deputy Minister Collado, "the economic crisis experienced by Panama in 1988 increased the unemployment rate by 20 percent....170,000 Panamanians are without a job." Collado added that the construction and industry sectors have been the most severely affected. Meanwhile, Amilcar Villarreal, director of the Statistics and Census Office of the Comptroller General's Office, told Telemetro Television on 16 February that "according to an annual survey conducted in August," there are 125,000 people in Panama without jobs.

Panamanian Planning Minister Gustavo Gonzalez also made statements to the press. In a report carried by Televisora Nacional on 14 February, Minister Gonzalez said that "Panama is negotiating a considerable sum of money," and added that once this is done, "we will be in a position to refinance our debt and rebuild our entire financial structure." In statements carried by Televisora Nacional on 18 February, Minister Gonzalez said that if the "current situation continues," the U.S. Government "will be withholding approximately $400 million belonging to the Panamanian people."

Meanwhile, MEDIODIA on 16 February carried a report on statements by leaders of the National Federation of Associations of Public Employees who have expressed their discontent with the way the Technical Commission is negotiating the payment of their 13th-month bonus. Payment should have been made in late February. However, "it has been delayed, and we are now hearing that it will probably be paid in March."

Missing portion from 21 February, No. 033

Solis Palma Leaves for Japan via Mexico

PA2002171189 Panama City ACAN in Spanish 1646 GMT 20 Feb 89

[Text] Panama City, 20 Feb (ACAN-EFE)—Manuel Solis Palma, Panamanian minister in charge of the Presidency, and Panamanian Foreign Minister Jorge Ritter left today for Japan via Mexico to attend the funeral of Emperor Hirohito in Tokyo on 24 February.

Solis Palma was seen off at Panama City's Omar Torrijos Airport by state ministers, Panama Defense Forces [FDP] Commander General Manuel Antonio Noriega, and members of the FDP General Staff. He left for Mexico aboard a Panamanian Air Force plane.

The Panamanian president, who said that "the country is headed toward economic stabilization," said he may possibly meet today in the Mexican capital with some officials of Carlos Salinas de Gortari's government.

This is Solis Palma's third visit abroad since he was appointed by the Legislative Assembly on 26 February 1988.

He traveled to Venezuela early this month to attend the inauguration of President Carlos Andres Perez. Last year, he attended the UN General Assembly sessions in New York.

Solis Palma replaced Eric Arturo Delvalle, who was dismissed by the Assembly a few hours after he tried unsuccessfully to remove Gen Manual Antonio Noriega as FDP commander.

Discusses Visit With Newsmen

PA2102005389 Panama City Televisora Nacional in Spanish 2335 GMT 20 Feb 89

[Text] President Manuel Solis Palma was seen off with full military honors at the Panamanian Air Force terminal today when he left for Japan to attend Emperor Hirohito's funeral. Solis Palma was accompanied by General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP], members of the FDP General Staff, and the cabinet.

During the ceremony, the chief executive was questioned by local and foreign newsmen about his trip to the Far East and possible efforts to obtain support for our country.

[Begin Solis Palma recording] I really do not think there will be time for that. My schedule is very tight, and I understand that my meeting with the Japanese prime minister will just be a courtesy visit because of the lack of time and the [words indistinct] heads of state who will be present. Regrettably, I will have to return before 1 March for the opening of the Legislative Assembly. Otherwise I would have been able to remain to discuss other matters. [end recording]

The minister in charge of the Presidency, accompanied by his wife, Telma de Solis, and Gen Noriega, then went to the diplomatic room at Omar Torrijos International Airport, where he was greeted by the full cabinet. Solis Palma and the FDP chief talked with the cabinet members and the Japanese and Mexican ambassadors, Teruyuki Sawai and (Carlos Plan), respectively.

After a short talk, the chief executive and his retinue participated in the christening of the new airplane that Air Panama has rented from Peru's Faucett Airline.

Solis Palma was received by Air Panama General Manager Cesar Rodriguez Maylin and members of the Air Panama board of directors. On behalf of the board, its president, Adsinar Cajar, addressed the visitors.

Finally, President Manuel Solis Palma and his companions boarded a 727-200 airplane for a trip to Mexico, where the plane will make a fuel stop on its way to Japan.

FDP Arrests U.S. Lieutenant Near Tocumen

PA1902142689 Panama City LA REPUBLICA DOMINICAL in Spanish 19 Feb 89 pp 1-A, 2-A

[Report by Mariela Munoz Aragon: "Southern Command Lieutenant Was Spying on Defense Forces"]

[Text] A lieutenant stationed at the U.S. Southern Command was surprised in action as he used binoculars to observe the garrison of the 2d Company of the Panama Defense Forces [FDP] at Tocumen.

Roger Muskat, a communications engineer officer, was arrested by the 2d Company security forces at the Tocumen garrison, in the vicinity of a military area. At that moment, Muskat was observing the Tocumen garrison and the Panamanian Air Force (FAP) military garrison.

A green bag containing a Canon camera with a 100-300-mm lens, maps of Panama City, and the binoculars were confiscated from Muskat.

It should be pointed out that communications Lieutenant Muskat carried with him a number of documents authorizing him to come to Panama to replace a comrade with experience in Panamanian security. Another document confirmed that Muskat works for the Southern Command of the U.S. military forces.

Another detail is the seizure of a letter written by Muskat stressing certain points about his arrest. Among other things, the letter read: "They took my binoculars, maps, and other items from my bag. I will probably only receive the map back. According to the treaty, they can only hold me for 4 hours."

In another paragraph, he said this is a banana republic. This is shit.

[The article is accompanied by photographs of Muskat, the equipment seized from him, and a copy of his U.S. military identification card.]

Noriega on Opposition Parties' Viewpoints

PA2102015689 Panama City Circuito RPC Television in Spanish 2323 GMT 20 Feb 89

[Text] General Manuel Antonio Noriega, Panama Defense Forces commander in chief, was asked by reporters today to comment on the opposition parties' refusal to present their political views.

[Begin recording] [Noriega] This is already a thing of the past.

[Reporter] Would this lead to a national dialogue to try to solve the country's problems?

[Noriega] I would rather not tell you my opinion, because common sense advises silence in the presence of intransigency. [end recording]

Government Orders Arrest of Opposition Leader

PA2002215089 Paris AFP in Spanish 2124 GMT 20 Feb 89

[Text] Panama City, 20 Feb (AFP)—Local judicial sources have reported that a district attorney today ordered the arrest of opposition leader Alberto Conte, who will try to return to Panama on Sunday with an Inter-American Human Rights Commission (CIDH) delegation.

Rogelio Cruz, attorney for Conte, who is currently in exile in Miami, told the local press that Daisy Sanchez, fourth district attorney for the 1st Judicial District, has issued the arrest warrant "in order to pursue an investigation" at the request of the district attorney's office.

Conte was held in custody for 2 months and was released on 24 December after being accused of acting against the internal security of the state and of having links to alleged guerrilla groups financed by the United States.

Conte, an advertising executive and president of the opposition newsmen's association, was nominated as a candidate for legislator by the Christian Democratic Party for the 7 May elections, but his candidacy was rejected by the Electoral Tribunal.

Opposition parliamentarian Omaira [Mayin] Correa and businessman Roberto Brenes will also attempt to return to the country with the CIDH, which is coming to Panama at the invitation of the Manuel Solis Palma regime.

Leader Reportedly To Return

PA2102040289 Panama City Circuito RPC Television in Spanish 2345 GMT 20 Feb 89

[Interview with Rita de Conte, wife of opposition leader Alberto Conte, by unidentified reporter in Panama City on 20 February—recorded]

[Text] [Rita de Conte] The situation at present is that the district attorney's office has revoked its former ruling so that my husband, who had been released, will again be taken into custody. A warrant has again been issued for his arrest.

[Reporter] What is the reason for this arrest warrant?

[Rita de Conte] According to the district attorney, the reason is that while he was under arrest, we had demanded that he be questioned, which he never was. The district attorney now says she wants to interrogate him. However, I do not believe an arrest warrant is needed to question him. If he is allowed to enter the country as he should be, he would immediately present himself to the district attorney's office for questioning.

[Reporter] Does this mean Alberto Conte will not be coming to Panama with the Inter-American Human Rights Commission?

[Rita de Conte] I do not think so. Mr Conte is prepared to enter the country, his country, as is his right. His conscience is clear. During these 6 months of struggle, no evidence has been presented to prove that he is opposed to the state or that he has been trying to overthrow this government, or any of the other charges that have been brought against him. He is prepared to return.

Housing Minister on Suspension of Public Services
PA2102013089 Panama City Circuito RPC Television in Spanish 2328 GMT 20 Feb 89

[Text] Panamanian Housing Minister Ricardo Bermudez has reported that the suspension of public services to residents in reverted areas is intended to lower the amount of overdue debts that these residents owe the Panamanian Government.

[Begin recording] [Bermudez] We intend to collect the money—which is way overdue—that the occupants of these residences owe the Panamanian Government. We have summoned, appealed to, and offered to make payment arrangements with these people, but to no avail. This is why we have been forced to take drastic measures.

[Reporter] How much do these people owe the government?

[Bermudez] U.S. Government and Panama Canal Commission employees, as well as Panamanian residents, owe about $1 million. [end recording]

Argentina

* Status, Prospects of Energy Crisis Analyzed

* Causes, Prognosis

33480095 Buenos Aires LA PRENSA in Spanish 19 Jan 89 p 6

[Text] The Ministry of Public Works and Services has issued a report on the causes of the energy crisis and the foreseeable developments, in which it emphasized that while Argentina is dependent to a great extent on hydroelectric power, it has been affected by an extraordinary drought.

The document published begins with the statement that in order to understand the origins of the situation the people are experiencing, it is necessary to know certain facts about the national electrical system. For this reason, the ministry in question set forth the following facts:

The energy we consume comes from three different types of plants or facilities:
1) Hydroelectric plants (or hydros, for short), which take energy from the large waterfalls.
2) Atomic plants, which generate energy by splitting uranium atoms.
3) Thermoelectric plants, which produce energy by burning petroleum or coal.

For years, Argentina has been making a great effort to obtain ever more hydroelectric energy. Why? Because we have a very large number of rivers with drops in level. Because hydroelectric energy is the cheapest. Because water is a renewable resource. And because hydroelectric plants do not pollute the environment. In a word, for a number of reasons.

The installed capacity of an electrical power plant, that is to say its capacity to generate energy, is measured in megawatts (abbreviated MW). In electrical sector jargon, the term "park" is used to represent a complex of plants, or the machinery at a given plant. There is reference, for example, to the "thermoelectrical park." In order to see what weight each of the various kinds of plants has, one must study the whole of the electrical park. The following table will help.

National Installed Capacity

1. Thermoelectric plants*	
Greater Buenos Aires Electrical Services Company (SEGBA)	2,470MW
Water and Power	2,194MW
EPEC (Cordoba)	583MW
Buenos Aires Power Administration (DEBA—province of Buenos Aires)	509MW
Total for thermoelectric plants	5,756MW

*All of the plants at each enterprise are considered together.

2. Hydroelectric power plants	
Salto Grande	1,418MW
El Chocon	1,200MW
Alicura	1,000MW
Rio Grande	740MW
Planicie Banderita	450MW
Agua del Toro	130MW
Total for hydroelectric plants	5,336MW

*Salto Grande is an Argentine-Uruguayan plant. This list shows the Argentine installed capacity.

3. Nuclear power plants	
Atucha I	370MW
Embalse	648MW
Total for nuclear power plants	1,018MW
Grand total (thermoelectric, hydroelectric and nuclear plants)	12,110MW

In percentages, we see that our installed capacity is distributed as follows:

Thermoelectric	47.53%
Hydroelectric	44.06%
Nuclear	8.41%
Total	100.%

The hydroelectric plants are modern, while the thermoelectric plants are very old. They have a great deal of antiquated equipment, and in fact it will soon go to museums. This is the case because Argentina is continuing to build large hydroelectric plants. Let us look at the plants currently under construction.

Capacity of Plants Under Construction

1. Hydroelectric plants	
Yacyreta	2,700MW
Piedra del Aguila	1,400MW
Uruguay	120MW
Total for hydroelectric plants under construction	4,220MW
2. Nuclear power plants	
Atucha II	745MW
Total for nuclear power plants under construction	745MW
3. Thermoelectric power plants	
C.L. Piedrabuena	620MW
Guemes	125MW
Total for thermoelectric power plants under construction	745MW
Grand total (hydroelectric, nuclear and thermoelectric plants under construction)	5,710MW

As we can see, the plants under construction will when completed have an installed capacity (5,710 MW), which is almost half the total we have now (12,110 MW). And hydroelectric plants will account for three quarters of this new capacity.

Piedra del Aguila will go into partial operation in 1991 and into full operation in 1992. Yacyreta will be in partial operation in 1993 and in full operation in 1997.

The old thermoelectric park is on its way to becoming history. However, for the time being, it has become a protagonist in the energy sector.

In fact, the Uruguay River, where Salto Grande is located, has dried up as a result of months without rainfall. This is an extraordinary phenomenon which is affecting the entire area from which the river obtains its flow. Along some segments, the Uruguay is only 40 centimeters deep, and it is possible to walk across it. The reserves at the dam are being exhausted, and Salto Grande is generating less than half its usual energy output. (The energy generated is measured in gigawatt hours per year, abbreviated GWh/year. Normally, Salto Grande generates 5,200 GWh/year, but currently it is generating only 2,084.)

On the other hand, the Limay, in the northern part of Patagonia, also contains little water, in this case because there was little snow in the mountains this year. The Limay is the river which feeds the El Chocon and Alicura power plants. This year, El Chocon needed more water than ever, because partial drainage was necessary last year in order to repair a break. But the Limay contains little water. Not only is it impossible to recover the water released at El Chocon in order to make the repairs, but the required level cannot be maintained at Alicura either.

El Chocon, which normally generates 3,000 GWh/year, is generating only 1,563, while Alicura, which normally generates 2,360, is generating 1,444.

And to this is added the fact that Atucha I has been dismantled. Repairing an atomic plant, above all when it is suffering from a complex problem for which there is no precedent, as is the case here, is a technological challenge. The repair work could not be done by human beings, and therefore it was necessary to build a robot. The National Atomic Energy Commission, which is under the Office of the Presidency, is making a great effort to rehabilitate Atucha I, but for the time being, the plant is out of service.

In this emergency, the old thermoelectric park must operate at a forced pace and must compensate, for as long as it can, for the hydroelectric plants which are partially inoperative, as well as Atucha I.

To think that this antiquated generating park can compensate for half of the output of Salto Grande, Chocon and Alicura, and all of that of Atucha, is illusory.

Thus the only solution to the crisis calls for reducing demand while Atucha is being repaired and hoping that rain will fall at the end of the summer. Of course, there are steps which can alleviate the crisis, and they are being taken.

Old machinery is being repaired and rehabilitated, using emergency funds. Credit has been obtained from the World Bank to upgrade equipment capacity. New generators are being leased or purchased (thermoelectric generators—but modern ones, using gas). A financial solution has been found to prevent the work at the Commander Luis Piedrabuena Plant in Bahia Blanca from being paralyzed. It is expected to be operating in April.

But it is not possible to work magic.

If the Yacyreta plant were already completed, everything would be different. Yacyreta will be able to generate 17,550 GWh/year, which is more than the total generated by Salto Grande, El Chocon, Alicura and Atucha I together (12,829 GWh/year). In addition, Yacyreta is located on the Parana, which, although it has also been affected by the drought to some extent, is a river with five times the volume, and rather more regular, than the Uruguay.

The lack of resources and the weight of the foreign debt have delayed the Yacyreta project. In the past 3 years, construction has proceeded at a good rate (47 percent of the project has been completed), and in 1987, we obtained financing from the World Bank and the Inter-american Development Bank in order to go ahead.

But for the time being, we do not yet have this plant.

Our current capacity is normally enough to satisfy demand. The proof is seen in the fact that no other crisis like this has occurred in years. If there is no extraordinary drought, there are no problems, and a drought like the current one occurs at intervals many years long. And in just a few years, we will have commissioned all of the plants now under construction.

Therefore the problem is not a structural one. But throughout this summer, we will have to suffer the consequences of this cataclysm, the drought, which has been aggravated by having Atucha I out of commission.

No Magic Solutions

The report we have published—which, as we have said, was provided by the Ministry of Public Works and Services—has a summary entitled "No Magic Solutions Can Be Expected." It says the following:

The energy we consume comes from three types of plants: hydroelectric, thermoelectric and nuclear. The hydroelectric plants, which obtain energy from large waterfalls, account for 44 percent of the installed capacity. The thermoelectric plants, which consume oil and coal, are destined to disappear.

However, today they must serve to save us from a cataclysm—the Uruguay River, where the Salto Grande plant is located, contains so little water that one can walk across it. The Limay, where El Chocon and Alicura are located, also has low water, and there is not enough to

replace what was lost at El Chocon, where it was necessary to begin repair work on a break. To the drought is added the failure of the Atucha atomic plant. Normally, Salto Grande generates 5,200 GWh per year, but now it is generating only 2,084. El Chocon, which normally generates 3,000, is now generating 1,563. Alicura, which normally generates 2,360, is generating 1,444, and Atucha I, which normally generates 2,269, is now generating practically nothing.

It is an illusion to hope that the old thermoelectric park can replace a half of the output of Salto Grande, Chocon and Alicura, and all of that of Atucha. With emergency funds and credit from the World Bank, the machinery is being repaired, rehabilitated and strengthened. A financial solution has been found to the problem at the Bahia Blanca plant, which was to have been shut down in March, but can now continue operating. Emergency generators have been purchased.

However, there are no magic solutions. The emergency solution depends on future rainfall and resolution of the atomic power plant problem.

* Unusual Energy Plan

33480095 Buenos Aires AMBITO FINANCIERO in Spanish 11 Jan 89 p 37

[Text] The radical sector attributes the current energy crisis exclusively to weather factors. In opposition circles, there is talk of a lack of planning, although little is heard about the responsibility the Peronist provincial governments bears in this whole matter. At this point, it is worthwhile to examine some of the concepts in the "1986-2000 National Energy Plan" which was drafted by the Secretariat of Energy, headed at that time by Jorge Lapena, toward July of 1986. This was an eminently technical work—the summary takes up almost 300 pages—but some of its paragraphs will contribute to providing readers with a part of the truth. As will be seen, it is not necessary to have a very profound understanding of the energy policy to comprehend the philosophy set forth in that plan.

- General aspects, electrical energy. Point d-i. Overequipped installed capacity. "The National Interconnected System (SIN) provides a real reserve capacity of about 60 percent, representing a volume which is greatly in excess of normal technical reserves in equivalent systems."
- Chapter V. Projected 1986-2000 energy supply. Electrical energy. Hypothesis: "The verification of SIN operations under critical hydrological conditions shows that until 1997, the gas turbines will not need to operate above the values corresponding to output under average conditions. The use time for this type of equipment will come to 900 hours per year in 1997 and 4,500 hours per year in the year 2000." "The resulting reserve represents 70 percent of demand in 1986, dropping to 35 percent by 1993. During the 1986-1993 subperiod, the quality of service will considerably exceed the approved limit..." "In order to verify supply under critical hydrological conditions, the joint operation of all of the hydroelectric power plants in each year in the 1994-2000 period was simulated, using the hydrological series corresponding to the 1944-1978 period (35 years)." "In the analysis of the thermoelectric park for the critical hydrological year, a maximal annual functioning of 7,500 hours was assumed for the nuclear power plants, 7,000 hours for the steam turbines with normal and good yield, 6,500 hours for the combined cycles and 5,500 hours for the low-yield steam turbines..." "The increase in demand in the next few years will be covered by the commissioning of the equipment under construction (6,700 MW) and the gradual absorption of the excess current supply. Therefore, no plan was drafted for the initiation of any major project within the SIN until the second half of the current constitutional term. What will be done, instead, is to provide adequate follow-up of the projects already commissioned..." "Until Piedra del Aguila is commissioned (1991), there will be a continuing steady intensification of the contribution from conventionally generated thermoelectric energy, with an increase from 46 percent in 1986 to 58 percent in 1990. Beginning in 1991, the commissioning of new hydroelectric plants will reduce the relative importance of conventional thermoelectrical equipment to the level of 33 percent by 1999-2000."
- Projections. Chapter VI. Projected 1986-2000 energy balances. Hydroelectrical energy. "Between 1986 and 1989, production will remain stable, because no major additions will be made. In 1990 there will be a decline, due to the operational restrictions which will affect the El Chocon plant as a result of the filling of the Piedra del Aguila reservoir. On the other hand, there will be an increase from 7.3 percent to 16.8 percent between 1990 and the year 2000 in the contribution made by this form of energy."
- Chapter VII. 1986-2000 financial projections. Investment level. "As a result, the current role of energy investment will be altered in two ways. a) There will be a decrease in its percentage participation in National Public Investment (IPN). b) There will be an increase in the importance of the fuel sector at the expense of the electrical energy sector."

* Electricity Deficit Foreseen

33480095 Buenos Aires AMBITO FINANCIERO in Spanish 11 Jan 89 p 37

[Article by Carlos Bastos]

[Text] The energy crisis is continuing to give rise to polemic discussions. On these pages, we are offering our readers two interesting articles (one by Daniel Artana and Enrique Szewach, of FIEL [Latin American Economic Research Foundation], and this one, by Carlos Bastos, of the Mediterranean Foundation). They agree in

criticizing the systematic electricity cuts being implemented by the Secretariat of Energy. They propose that instead, declining demand sould be encouraged by means of an increase in rates. In order to avoid a high social cost, it is proposed that consumers who decide to reduce their consumption below the average for this period of years be rewarded by a rebate on their rates.

The first indications of the crisis now being seen in the country's electrical energy supply were visible in about April or May of 1988, when the first planned cuts were implemented, affecting mainly the consumers in Greater Buenos Aires.

At that time, the subject was dealt with by Carlos Givogri ("The Blackouts," NOVEDADES ECONOMICAS, Year 10, No 89, May 1988). Contrary to the explanation provided by the authorities in the sector, who attributed the short supply to an unfortunate coincidence of low water flow in the Uruguay River and the basins of the Limay and Neuquen and the shutdown of two atomic plants, he insisted that the deficit was due to problems of a structural nature. He predicted that new difficulties in meeting demand would be encountered in 1990-1991, and that by 1994, short supply would be a permanent problem.

The realization of these predictions ahead of time makes it pertinent to analyze the matter in greater depth in order to understand the magnitude of the problem being faced.

Generating Equipment in the Interconnected National System

Equipment	Capacity (MW)	Energy* (GWh)
Hydroelectric		
Salto Grande	1,890	14.2
Chocon	1,200	9.6
Planicie Banderita	450	4.1
Alicura	1,000	6.3
Central Region	120	1.4
Cuyo Region	400	3.8
Hydroelectric Total	5,060	39.4
Conventional Thermoelectric		
Steam turbines	4,200	69.0
Gas turbines	1,500	16.4
Thermoelectric Total	5,700	85.4
Nuclear		
C.N. Atucha	344	6.6
C.N. Rio Tercero	600	11.5
Nuclear Total	944	18.1
Total for SIN	11,704	142.9

*This represents average daily production, in the case of hydroelectric plants, for an average hydrological year; for thermoelectric equipment, annual use of 7,000 hours; and for nuclear plants, 6,000 hours for steam turbines and 4,000 hours for gas turbines.

Source: IEERAL [not further identified], Mediterranean Foundation, based on National Energy Plan data.

As can be seen from the table, the generating park is made up of hydroelectric equipment capable of producing 40 GWh of energy daily, under conditions of average water flow; thermoelectrical equipment which can contribute 85 GWh on an average, assuming availability of about 70 percent for steam turbines and 46 percent for gas turbines; and nuclear equipment producing an average of 18 GWh per day. The daily demand which must be met is approximately 115 GWh, with a maximum of 8,400 MW peak capacity.

This means that while the percentage of capacity reserve is 39 percent, it only comes to 24 percent for energy, and this level, which might seem adequate, is seen to be insufficient if we take into account the factors discussed below.

Characteristics of Hydroelectric Equipment

a) The average flow of the rivers shows significant variations throughout the year. In a year with average water flow, the Uruguay River has a variation such that the maximum in October is 3.3 times the minimum in February. For the Limay, the maximum in November is 5.4 times the minimum in April, and for the Neuquen, the maximum in November is 6 times the minimum in April.

b) The historic series of monthly water flows reported shows that the Uruguay River has a minimum which has been 5 percent of its average value, while the figure for the Limay is 10 percent, and that for the Neuquen 16 percent.

c) The Salto Grande must be exploited as a flatland river, and as a result, its regulatory capacity is very limited, and its output necessarily follows the variations in the flow of the Uruguay River.

d) The El Chocon reservoir was emptied in order to make repairs on the civil engineering installations, and consequently has no reserves. It is estimated, moreover, that with the volume of average flow, it will take 2 years to reestablish its reserves. Because of this circumstance, its generating capacity is limited to the Limay River flow.

e) Alicura, as well, is located on the Limay River and has a reduced reservoir capacity, since in periods of prolonged drought its generating capacity is limited by the influx received.

Taking these circumstances into account, it can be concluded that in low-water seasons, the daily generating capacity suffers a major reduction. Taking 5 percent of its average value as the flow of the Uruguay and 10 percent as that of the Limay, the volume reduction from the average value is 27 GWh per day. This is the

equivalent of operating without reserves, and this is the situation which exists today. It is aggravated by the unavailability of the nuclear equipment and the conventional thermoelectric equipment (the latter exceeds that contemplated when the table was drafted, making rationaing inevitable).

Causes of the Crisis

The causes underlying this situation are mainly found in two sectors.

1) Planning. There was insistence on choosing projects with very high capital costs, lengthy execution time and little flexibility (hydroelectric and nuclear electric projects), which led to financial and organizational problems. Projects such as the thermoelectric plants which burn natural gas and have low capital costs, short maturing periods and flexible modules were set aside.

2) Rate Policy. There was a lack of rate policy, seen in the failure to establish the rate level required to meet the investment needs for new equipment, and even to ensure proper maintenance of the existing equipment, as well as a rate structure which would properly reflect the costs involved in the operation and expansion of the system, both on the wholesale level (DUC) and that of the final consumers (NOVEDADES ECONOMICAS, No 42, June 1984; No 67, July 1986; No 96, December 1988).

These circumstances, which interrelate in a negative way, caused the demand to expand to a level which cannot be met with the existing equipment.

Prospects

As has been made clear, the crisis is structural, and it will be more or less profound depending on the availability of water resources. However, the reliability with which the system will continue to work will remain at a permanently low level, and no solutions can be glimpsed in the medium time range.

The next addition to be made, according to the provisions of the Energy Plan of the Secretariat of Energy, will be a module of the Bahia Blanca thermoelectric power plant, scheduled for 1990. However, authorities in the sector have admitted publicly that the project is lagging, such that it is not very likely that this addition will be made before a number of months have passed. And even when this is achieved, it will not provide a definitive solution.

Studies made at the IEERAL of the Mediterranean Foundation indicate that the addition of the facilities now under construction (Yacyreta, Atucha II, Piedra del Aguila and Bahia BLanca) will merely keep pace with the increase in demand in the period between 1989 and 1997. Thus the need for an increase in the available thermoelectric park to a level which it would be hard to reach (7,000 hours per year for steam turbines) will continue to exist.

As can be seen, the problem is so serious that simultaneous action would have to be taken with regard to both the demand for and the supply of electrical energy.

In connection with the first aspect, no path other than rationing is possible, but rather than the government rationing proposal involving planned cuts, it would be better to achieve the goal through a significant increase in rates (for example, doubling the rates currently in effect, with adequate information provided to the consumers, so that they will eliminate the consumption which is seen to be least profitable). Simultaneously, additional resources should be generated in order to speed up the rate of project execution and to improve the maintenance of the generating park.

What is needed with regard to supply is to guarantee a higher level of availability in the thermoelectric park through adequate maintenance, as well as to add one or several thermoelectric power plants to those for which the energy plan provides, until the level of some 300 additional megawatts is reached, and also to increase imports of electrical energy from neighboring countries.

In this connection, Bolivia offers an excellent opportunity, since the contract to import gas we have with that country will terminate in 1992. Renegotiation including other forms of energy, such as electrical energy, might be undertaken in advance.

(Missing portion from 21 February, No 033)

Police Arrest Traffickers, Seize Cocaine

PY2302135489 Buenos Aires LA PRENSA in Spanish 22 Feb 89 p 14

[Summary] Argentine Federal Police personnel have confiscated 5.5 kg of cocaine hydrochloride intended for shipment to Rome and arrested Bolivian drug traffickers Isabel Frear and Ramon Martir.

20 February Declared Foreign Exchange Holiday

PY2002021089 Buenos Aires TELAM in Spanish 0015 GMT 20 Feb 89

[Text] Buenos Aires, 19 Feb (TELAM)—Here is the full text of a communique released today at 2351 by the Central Bank of the Argentine Republic (BCRA):

"In compliance with guidelines issued by the Economy Ministry, the BCRA has decided to declare a foreign exchange holiday for Monday, 20 February.

"The financial entities and the foreign exchange houses and agencies will not conduct any operations with foreign bonds or adjustable securities involving foreign exchange rates or using foreign exchange rates as a reference.

"Foreign exchange operations are being suspended to facilitate changes in the foreign exchange market. These changes will be revealed tomorrow. The purpose of these changes is to increase the supply of foreign exchange at the free foreign exchange market and to further encourage exports, at the same time lessening the impact of inflation.

"Basically, the changes determine a new rate for the payment of foreign currency involved in export operations at the various foreign exchange markets. There will be no changes whatsoever in the exchange rate for import operations.

"In addition, it is hereby reported that the adjustments foreseen for February for commercial and special exchange rates will remain unchanged.

"Finally, as these measures create a legal framework different from the one prevailing last Friday, the BCRA has decided to reject all the bids on public bonds of last Friday, and call a new bid under the same conditions as the previous bid for Tuesday, 21 February."

A second communique is expected tonight. The corrective measures to be implemented will be announced tomorrow.

Frozen Assets Reduced

PY2002024789 Buenos Aires TELAM in Spanish 0030 GMT 20 Feb 89

[Text] Buenos Aires, 19 Feb (TELAM)—The following is the text of a second communique released tonight at 2215 by the Central Bank of the Argentine Republic (BCRA):

"As reported in previous communiques, the monetary program foresaw a 4-percent increase in the seasonally adjusted monetary base in February, which involved a 2-percent decline in nominal terms. Thus far, it has been observed that the monetary expansion is significantly lower than targeted.

"Essentially this is due to the absorption resulting from marketing public bonds totaling 5.4 billion australes with an average effect [efecto promedio] of 2.9 billion australes monthly. The monetary contraction resulting from foreign operations also played a role.

"In view of this situation, it has been decided to partially compensate for the contraction resulting from marketing the public bonds. In this regard, the frozen assets that the financial entities had at the BCRA as of 10 February have been reduced by 2 percent of the deposits."

More Economic Measures Announced

PY2102024889 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2326 GMT 20 February 89

[Excerpts] Buenos Aires, 20 Feb (NA)—The Economy Ministry tonight reported that the government has decreed that beginning tomorrow 20 percent of industrial and agricultural export earnings will be exchanged at the free market rate, and has established that during March there will be an 8-percent increase in utility rates and a 7-percent currency devaluation. [passage omitted]

The Economy Ministry announced the decision through a communique entitled "Measures To Increase the Dollar Liquidity at the Free Exchange Market." [passage omitted]

The text of the communique follows:

"An assessment of the modifications to the 6 February exchange policy allowed us to identify the problems hindering the accomplishment of our goals. A decision was then made to attack the sources of uncertainty, coming from different areas, that were affecting the exchange market. Today we are adopting new measures in the area of exchange rates to increase the offering of dollars in order to alleviate the pressures of the last few days.

"We have modified the exchange system of our export earnings to achieve this goal. The new system is a clear signal that the government will continue to encourage our country's industrial and agricultural exports.

"The government has tried to minimize the inflationary effect of these measures because it believes the creation of incentives for our exports cannot hinder our short-term economic plans or the situation of the other sectors of the economy.

"The government has tried to listen to the various points of view of the different productive sectors before introducing these adjustments. The government is sincerely convinced that these measures will result in an improvement of the situation, will confirm the principle of nondiscrimination among sectors, and will move our economy toward a unification of exchange rates within the period of this government's mandate.

"The government, therefore, expects the continued support and understanding of the productive sectors so that economic activities can develop in a climate of tranquillity and trust.

"The changes introduced to the foreign exchange policy establish that beginning tomorrow 20 percent of all export earnings will be exchanged at the free market rate. The government has decided not to introduce changes in the exchange rate for imports, in order to reduce uncertainties and to maintain its policies. The government has also decided to implement an 8-percent increase in public utility rates and a 7-percent devaluation of the austral during March.

"The Domestic Trade Secretariat will adjust the current system of prices under its administration. It will give automatic approval to requests for adjustments that fall below the utility rate increase—which in March will be 8 percent—but will carefully analyze those requests for adjustments that are higher than this rate."

Bolivia

President Paz 'Authorizes' Cabinet To Resign

PY2302145489 La Paz La Red Panamericana in Spanish 1130 GMT 23 Feb 89

[Text] The entire country is waiting for news on a cabinet reshuffle since President Victor Paz Estenssoro has authorized some of his ministers to resign their position and run for the senators' and deputies' elections.

The foreign minister, who is also President Paz' chief of cabinet, has stated that some of his colleagues will tender their resignations and thus allow the president to choose his new aides.

* ADN, PDC To Form Electoral Alliance

33480103c La Paz HOY in Spanish 22 Jan 89 p 11

[Text] This Saturday a communique from PDC [Christian Democratic Party] signed by Jorge Suarez Vargas, that political party's press secretary, announced that within the next few hours a political agreement would be signed between the Christian Democratic Party and Nationalist Democratic Action (ADN), "aimed at forming a coherent alliance with a view toward the May 1989 elections; emphasizing that the Nationalist Revolutionary Movement (MNR) is not participating in this agreement."

During the past few days, the PDC-ADN negotiations culminated in a Convergence Agreement, with the nomination of the leader, Luis Ossio Sanjines, as the running mate of ADN leader Hugo Banzer Suarez, to run for vice president of the republic.

The aforementioned agreement was contested by certain Christian Democratic sectors, which proposed that a special national congress be called for immediately.

The PDC communique, released to the news media yesterday, does not mention in any of its paragraphs this internal challenge of the agreement or the request for the special congress, but it does respond to the criticism that has come from former members and other political parties regarding the PDC-ADN pact.

The document states: "On this occasion we are responding to various ex-Christian Democrats who are currently militants in MIR [Movement of the Revolutionary Left] and MBL [Bolivian Liberation Movement] and who have insulted PDC publicly."

It adds: "We shall not stoop to low levels, because we believe that modern, democratic politics must have high standards and respect, not only toward adversaries, but also toward the people of Bolivia. Despite this, we wish to explain to the public that, in view of statements made by certain MBL leaders, claiming that PDC is a political turncoat, we are pointing out that, before looking at the speck in your brother's eye, you should consider the beam in your own," notes the communique.

Next, referring to the MBL leaders, it remarks: "They were Christian Democrats first, then joined MIR, next MBL, later FPU [United Popular Front], subsequently Patriotic Alliance, and now United Left; therefore, they have moved ideologically from Catholic Action to the Marxist extreme left, to which they currently belong."

It concludes by stating: "We have always been consistent Christian militants, and we shall always be Christian Democrats; we shall eventually implement our historic political plan, with the people's vote and with massive support from Bolivians."

* Fernandez Invests $5 Million in Campaign

33480103b La Paz PRESENCIA in Spanish 21 Jan 89 Sec 2 p 1

[Text] Cochabamba, 20 Jan—The candidate for the Presidency of the Republic and head of the National Civic Union (UCN), Max Fernandez Rojas, plans to invest approximately US$5 million in his campaign directed toward the general elections in May.

He claimed that, according to the budget prepared for participating in the elections, the aforementioned amount will make it possible to set up 360 offices throughout the entire country, also allowing for the participation of about 47 different sectors of national activity all over the national territory.

He remarked that, not only have peasants and transport workers backed his candidacy, but also professional, intellectual and commercial sectors, as well as private businessmen and others representing nearly 100 percent of the national sectors.

He admitted being "new" in politics, and hence that the investment may possibly "be too large." Nevertheless, he declared his intention to lay the groundwork for the consolidation of unity, civic spirit, and nationalism.

This morning Fernandez arrived in this city to participate in the inauguration of the dome over the closed coliseum in Quillacollo, 14 km west of this city. The sports arena was named for Max Fernandez Rojas. Up until now, it had been called the Tomas Bata Coliseum.

In his remarks, the presidential candidate promised to continue implementing projects insofar as he is able, not only in Quillacollo or Cochabamba, but all over the country, because "it will be projects that make Bolivia great, not demagoguery."

He claimed that, with his candidacy, he wants Bolivians to be the ones who govern, rather than groups, "which have taken control of the government for 30 years." He commented: "I'll leave the government to Bolivians, so that Bolivians may govern, so that democracy will be real democracy, and so that the people's participation won't end with the casting of their vote."

The UCN leader subsequently participated in a proclamation ceremony held at the Juan Perez Tapia Stadium in the same locality, where the peasants from Valle Bajo had gathered.

On this occasion Fernandez also pledged to "strive for solutions to the problems of unemployment, education, and health, and the problems besetting Bolivians as a result of the lack of patriotism, civic spirit, and nationalism on the part of the governments."

It was reported that, this weekend, the UCN candidate will visit localities in Valle Alto, where he will turn over projects that were executed with funds provided by his party.

It was said that, in Sacaba and Colomi, he would be proclaimed by other peasant sectors who have benefited from projects of a social nature.

Brazil

* CUT, CGT Undecided on General Strike Date

* Unions Debate Date

33420033a Rio de Janeiro O GLOBO in Portuguese 28 Jan 89 p 21

[Text] Sao Paulo—The result of the meetings held yesterday by the two largest trade-union organizations in the country, the CUT [Sole Central Organization of Workers] and the CGT [General Confederation of Labor], was a decision to mobilize for a general strike. Both organizations want joint action on this, but they differ on several points as to the path chosen. At a meeting of the national executive board of the CUT, the first day of March was initially chosen for the launching of the general strike, and the readiness to continue negotiations about the lost wages with the government was confirmed. The CGT, in turn, will not negotiate further with the government, and it decided that the first day of the strike should fall in the second half of February.

Another difference between the two unions involves the planned duration of the strike. The executive secretary of the CUT, Gilmar Carneiro, feels that this is a strike to obtain satisfaction of demands, and thus should have the characteristics of a wage-campaign strike. In other words, it could last for as long as the parties involved fail to reach an agreement. The president of the CGT, Joaquim dos Santos Andrade, for his part, said that this issue still remains to be debated by his organization. However, his personal opinion is that a general strike for an indeterminate period might be risky.

In the opinion of Carneiro, the CUT official, it should not be difficult to obtain a consensus on the date of the general strike, because his union's preference is quite close to that of the CGT. The CUT favors 1 March, he emphasized, because of a desire to avoid the workers' payday, which generally falls between 20 and 28 February.

The date in question may still be negotiated in the coming days, and the presidents of the two unions, Jair Meneguelli and Joaquim dos Santos Andrade, have scheduled a meeting for this weekend to this end.

* Strike Still Planned

33420033a Rio de Janeiro O GLOBO in Portuguese 29 Jan 89 p 35

[Text]Sao Paulo—The new government proposal to make up the January wage losses in three installments, beginning in March, was interpreted by the trade-union movement as a mere palliative measure incapable of preventing the two main trade-union organizations in the country, the CUT and the CGT, from mobilizing for a general strike. The two organizations asked the Interunion Department of Statistics and Socioeconomic Studies (DIEESE) to evaluate the proposal sent to the Congress by the acting president, Ulisses Guimaraes, but they were willing to state that the strike will go forward.

"This proposal does not satisfy the workers' class, and it gives us no reason to abandon the organization of a general strike to protest against the blow struck to wages," trade-union leader Antonio Rogerio Magri, president of the Sao Paulo Electricians' Union, which is affiliated with the CGT, said last night. According to him, the central union will organize a general assembly in Brasilia this week to establish the date of the strike.

Union leader Gilmar Carneiro, secretary general of the CUT, said that its officials and those of the CGT plan to set the date this Monday for the meeting at which the two major unions will try to agree on the date of the strike. However, there are some differences between the two union organizations. The CUT has approved 1 May as the date for the event, while the CGT decided that the strike should be held during the second half of February. Another disagreement has to do with the duration of the strike. While the CGT is talking about 1 day, the CUT insists that the strike should continue indefinitely, since the campaign seeks satisfaction of a demand and should last until the wage losses are in fact fully made up. The only point on which there is a consensus is the fact that the New Cruzado Plan threatens the purchasing power of wage earners, even with the installment repayment plan proposed by the government.

* 1977-87 Capital Flight Totals $20 Billion

33420033d Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jan 89 p 19

[Article by Regis Netrovski]

[Text] New York—About $20 billion in capital left Brazil in the period between 1977 and 1987. This sum would have a value of about $31 billion today, with the interest accumulated in 1987. This is one of the figures set forth in the study entitled "International Financial Markets. The Developing Countries—A Critical View" which has been published by Morgan Guaranty Trust, the fifth- largest Brazilian creditor, with approximately $1.5 billion invested in the country.

"We cannot specify whether it was individuals or companies or both which took this total out of the country. The calculations were based on investment of the $20 billion in bank certificates of deposit at London market interest for 6 months. This is the simplest type of application undertaken by a foreigner entering a market such as that in New York or London," Norman Klath of Morgan Guaranty Trust in New York explained.

Brazil ranks fourth in volume of capital flight among the Latin American nations. The leader, by a wide margin, is Mexico, which saw exports of capital in the amount of $45 billion during this same period. This sum would have a value of $84 billion today, i.e., almost 80 percent of the foreign debt of that country. Venezuela ranks next, with the export of $28 billion in capital up to 1987. This total would be worth $58 billion today, or almost double Venezuela's foreign debt. At the beginning of this year, that nation had even declared a moratorium on its foreign debt. And Argentina, as well, sent $20 billion abroad during the same period. It would be worth $46 billion now, almost the equivalent of the entire Argentine foreign debt. The difference between the sums for Argentina and Brazil is due to the fact that the Argentine flight of capital began earlier than that in Brazil, which accelerated mainly beginning in 1982 and reached its peak at the beginning of President Jose Sarney's term of office.

* Transfer of INPE to Military Denied

* Director Issues Statement

33420033c Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jan 89 p 10

[Text] Sao Jose dos Campos—The new director of the Space Research Institute (INPE), Marcio Nogueira Barbosa, said yesterday that he does not know of any study concerning the transfer of that body from the Ministry of Industrial Development, Science, and Technology to the Ministry of Aeronautics. Marcio Nogueira admitted that there was some concern in this connection, but he attributed the reports of the possible militarization of the institute to "lack of information" about the roles of the INPE and the Ministry of Aeronautics. "Minister Roberto Cardoso Alves is aware of the importance of the INPE to his ministry, and he will not make any move to transfer this body," Marcio Nogueira Barbosa said by way of reassurance.

He said that a transfer of the INPE to the Ministry of Aeronautics would be harmful and would work against the interests of the institute. Nogueira Barbosa noted that the INPE has agreements with international agencies operating exclusively in the civilian sector.

The new director of the INPE said that the results achieved by the Brazilian Space Program are of interest to the nation's industrial development. He therefore wants to increase the industrial contribution to the space programs. "Domestic industry could already be building a second Brazilian satellite," Nogueira Barbosa said. The goal of the Complete Brazilian Space Mission (which is planning to launch the first domestic satellite by the end of the year) will be to provide industry with the capability to function in this area.

As a government body, the INPE will have to adapt to the Summer Plan. According to Nogueira Barbosa, there will be staff reductions at the institute, but he gave assurance that the dismissals will be carried out consistent with the priorities of that body's projects.

"If there are cuts, the role of the INPE and its projects will be taken into account," Nogueira Barbosa said. The new director also added that as a result of the Summer Plan and the budget cut, all of the INPE projects will be reviewed. Concerning the change in posts at the institute, he said that this step was taken on the basis of technical, rather than political, criteria.

* Director Faces Difficult Year

33420033c Rio de Janeiro O GLOBO in Portuguese 29 Jan 89 p 34

[Text] Sao Jose dos Campos—The INPE will face the most difficult period since its establishment in 1961 between now and the end of this year. Ironically, it will now be headed by an in-house researcher, Marcio Nogueira Barbosa, a mechanical engineer, 37, who will take up his new post immediately after the carnival season. This is the first time in the history of this institute that an official there has been appointed to the post of director general.

"I am taking up this position at a difficult time, but I am very optimistic about the path we are beginning to pursue with regard to the principal problems, now that we have the support of Minister Roberto Cardoso Alves," Barbosa said.

He has been promised that the budget of the INPE, which amounts to 80 million new cruzados, will be reorganized, with a suspension of the 20-percent cut for which the Summer Plan calls.

He is also confident that the resources planned for the Complete Brazilian Space Mission (17 million new cruzados) will not be cut, and that the plans for the Weather Forecasting and Atmospheric Studies Center and the Weather Satellite Use Center will be reincorporated in the institute projects, as well.

However, the new director admits that concessions have been made. He says that his task is to continue with the priority programs, but with respect for the current economic restrictions. He also believes that any possibility of a transfer of the INPE to the Ministry of Aeronautics has now been dismissed.

"I do not know of any intention of this sort on the part of the Ministry of Aeronautics or the General Staff of the Armed Forces."

Marcio Barbosa agrees that the militarization of the institute would have a whole series of harmful aspects, because many international cooperation programs are only possible on the basis of agreements between civilian institutions. As a military institute, the INPE would be unlikely to succeed in buying a supercomputer for the Weather Forecasting Center, nor could it continue its cooperative projects with NASA and various other space agencies.

* Avibras Lays Off 4,000 Workers Since June

33420033b Rio de Janeiro O GLOBO in Portuguese 27 Jan 89 p 18

[Text] Sao Paulo—Avibras, which produces war materiel, dismissed 2,000 employees yesterday because of the production drop resulting from the end of the war between Iran and Iraq. The suspension of the contracts signed with Iraq had already led Avibras to dismiss 2,000 workers during the second half of last year, and the dismissals will continue, the president of the Sao Jose dos Campos Metallurgical Workers' Union, Jose Luis Goncalves, announced yesterday.

The concern of the residents of Sao Jose dos Campos about the decline in exports of war materiel is due to the fact that half of the 50,000 metallurgical workers in that city are employed in the production of explosives, weapons, and other military equipment. In this connection, the Metallurgical Workers' Trade Union is heading a campaign to promote the diversification of the weapons industry. A number of trade unions in the Paraiba Valley region are participating in the campaign.

Goncalves noted that the Specialized Engineers' Corporation (Engesa), which produces only military vehicles, has achieved excellent results with the Jeep for civilian use which it brought out recently. He said that the diversification of the Brazilian war materiel industry, which employs about 180,000 metallurgical workers today, would provide those employed in the sector with greater job stability.

January Trade Surplus Exceeds $1.6 Billion

PY2402003789 Brasilia Domestic Service in Portuguese 2200 GMT 23 Feb 89

[Summary] The Brazilian trade surplus for January 1989 surpassed $1.6 billion. This surplus is 53.37 percent higher than the surplus recorded in the same month in 1988. Overall exports totaled $2,748,000,000, while imports totaled $1,137,000,000, 2.34 percent higher than in 1988. Manufactured products, especially orange juice, have contributed most to increasing the surplus this year.

Brazilian Woman Among La Tablada Terrorists

PY2302132489 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Feb 89

[Text] Among the guerrillas who were killed during the frustrated attack on the La Tablada garrison, the Argentine Police have identified a 30-year-old Brazilian woman. Police have reported that her name is Alzira Pereira Nunes, but failed to report on her role in the attack or the city where she was born.

Chile

Peru's Defense Minister Makes Stopover

PY2402005889 Santiago Domestic Service in Spanish 2200 GMT 23 Feb 89

[Text] A high-ranking Peruvian delegation stopped at the Arturo Merino Benitez airport for a few minutes on its way to the Antarctic, where Peru will dedicate a scientific base. Defense Minister Vice Admiral Patricio Carvajal was at the airport to greet his Peruvian counterpart, General Enrique Lopez Albujar. The two ministers met for a few minutes in a private room of the Santiago airport, while the military plane that brought the Peruvian delegation was resupplied. The delegation also included Fisheries Minister Romulo Leon, high-ranking officers, and Peruvian lawmakers. Peruvian Navy hydrography and navigation department head Rear Admiral Alejandro Martinez told the press that Peru is still building the scientific base, which will be called Machu Picchu. The Peruvian base is located on King George Island, near Chile's Teniente Marsh Air Force Base. Minister Carvajal explained that all nations that wish to build a base in the Antarctic want to locate it on King George Island, where the Chilean Air Force built an airstrip, which is the only airstrip in the Antarctica. [sentence as heard]

PCCh Spokesman Comments on Military Policy

PY2202025089 Santiago APSI in Spanish 13-19 Feb 89 pp 12, 13

[Interview with PCCh spokesman Jaime Insunza by APSI reporter identified by initials R.M.—date and place not given]

[Excerpt] [Passage omitted] [R.M.] The PCCh military policy currently has three sides: a policy toward the Armed Forces, a military policy for the masses, and the creation of the PCCh's own military force. The document calling for the 15th PCCh Congress seems to have emphasized the third side.

[Insunza] No. We say that it is not only an obligation, but a situation that arises from the circumstances. In fact, all political sectors, especially the people's sectors, should have a military policy. The military policy is not limited to the creation of a sector's own military force.

[R.M.] But a military policy involves the existence of a military force.

[Insunza] It involves a military force as part of the military policy of the people and as an agent that will fulfill some specific functions in keeping with the circumstances and with the development of the social process. The military policy as a whole and the military force that the people might assemble do not operate in isolation from the political situation. On the contrary, they depend on the political situation. Chilean political life has been militarized by the dictatorship—not by the people—because the dictatorship has resorted to force to smash all the democratic forces. Our military policy is intimately linked with this situation.

[R.M.] What concerns the other political sectors is the fact that the PCCh congress will decide on the role that the party will play within democracy. What will happen in a democracy with the party's own military force, with the military cadres that the PCCh has trained?

[Insunza] I do not think this is the real problem. I believe the real problem is, in the first place, the need to end the dictatorship as soon as possible, ensuring the birth of a true democracy, a fully democratic system in which the people may have full sovereignty. There is another factor: Our experience, as in the case of other nations, demands a military policy from the democratic movement. Moreover, absolutely all political forces have their own military policy. They have a policy regarding the role that the Armed Forces play within society—their functions and so forth.

[R.M.] But not all political forces design policies that include the creation of their own military forces, or people's forces, or whatever you want to call it.

[Insunza] All of them have their own military forces. The problem is that for some people their own miltiary force is the national security force. Others believe that their own force should be the army, but with some changes. No political sector would deny the significance of a military force or the role that the military plays within society.

[R.M.] Don't you think there is a contradiction in the fact that the PCCh is now trying to regain its legal status and to operate within the institutional system, and that at the same time it remains outside the system with this type of policy?

[Insunza] I don't see any contradiction between a desire for recognition of the rights of Communists and of all Chileans and the fact that our political position includes a position on the military. Incidentally, all parties have their own position on the subject. We uphold the people's right to defend themselves from the terror and violence to that which they have been subjected, with the tragic consequences with which all of us are familiar. The idea of the creation of a military force originates in this situation. Anyway, the main issue is the mobilization of and the action by the masses. The military or paramilitary forms of struggle, or self-defense, are elements to be used according to the circumstances within that basic framework.

National Renewal Leader Jarpa Denies Pact

PY2202135989 Santiago Domestic Service in Spanish 0930 GMT 22 Feb 89

[Excerpts] National Renewal [RN] President Sergio Onofre Jarpa has outlined the characteristics of his party's ideal candidate for the elections and added that his party is willing to work with other parties to form a future government of broad participation. He said the RN would also accept the Christian Democratic [DC] party, or any other democratic opposition sector.

Jarpa clarified that his party has talked with the DC, but only to discuss constitutional reforms. [passage omitted]

Jarpa reiterated that he will not run as presidential candidate. The RN president made the newspaper headlines this week when a possible pact between his party and the DC for a future government was mentioned.

The MIR [Movement of the Revolutionary Left] recently said that the RN and DC were negotiating a conservative pact. Jarpa said that the MIR must not be believed, otherwise we will all go crazy. There is no such pact with the DC, he said.

[Begin Jarpa recording] We are the DC's rivals, but we want to be fair rivals. We want to allow the people to decide, based on our political platforms, which party best deserves their credit and support. The people must decide whether they will believe us and our proposals, or those of the DC.

We and the DC wish to establish—through the constitution—the game rules, the guidelines, because we are rivals. But we must respect certain norms and seek with fairness the support of the democratic sectors. [end recording] [passage omitted]

New Political Front Formed by Youth Factions

PY2302123989 Santiago Domestic Service in Spanish 0930 GMT 23 Feb 89

[Excerpt] A new front has been formed recently by the youth factions of the Radical Democratic Party, the National Renewal Party, and the National Party. The front favors a free future society, at the risk of being accused of forming an hegemonic current within their part of the national political spectre.

Julio Caro, Felipe Guevara, and Gonzalo Bustamante, president and vice presidents respectively of the youth factions of the mentioned parties, signed an agreement called the Center Alternative [Alternativa de Centro—ALCE]. [passage omitted]

Bomb Explodes in Telephone Company Office
PY2302122789 Santiago Domestic Service in Spanish 0930 GMT 23 Feb 89

[Text] A bomb exploded last night in the Vina del Mar telephone company office. The bomb, which exploded at 2245, destroyed the facade of the telephone company's office building on the corner of Libertad and No 7 North Streets.

Police sources reported that the bomb had a clock mechanism. Police and security personnel worked for more than an hour to verify the damage and to investigate those responsible for this terrorist attack. No one was harmed by the violent explosion.

Carabineros Find FPMR Weapons, Supplies
PY2202182289 Santiago Radio Chilena Network in Spanish 1600 GMT 22 Feb 89

[Text] A Carabineros communique released a few minutes ago states that a police patrol yesterday found weapons and other supplies used by the terrorists who attacked the Los Quenes police station last October. The weapons were found in Los Pajaritos sector, 25 km from Los Quenes police station. The communique states the following: As a result of the constant patrolling by the Curico Police Prefecture in the foothills area, into which the Manuel Rodriguez Patriotic Front (FPMR) subversives escaped following the cowardly attack on the Los Quenes police station on 21 October last year during which Corporal Juvenal Vargas Sepulveda was killed, Carabineros have found some weapons and supplies in a valley near (Los Cajones) hill in Los Pajaritos, 25 km north of the Los Quenes police station.

The following weapons and supplies were found: an automatic M-16 rifle with erased serial numbers and a B1336 Colt revolver with 4 unused .38-caliber cartriges and 43 7.62mm cartriges, both of which weapons belong to Los Quenes police station; an olive-green cap; 3 red sweaters with FPMR markings; a radio; an olive-green bag bearing a USA inscription and containing first aid material; 2 disposable cooking gas bottles; a flannel glove; cigarretes; and other things.

These weapons and supplies have been placed at the disposal of the 2d Military Court of Santiago which will investigate the case.

The communique is signed by the chief of the 3d Carabineros Regio[illegible].

Blackout Due to 'Terrorist Attack' Reported
PY2302005089 Santiago Radio Chilena Network in Spanish 2200 GMT 22 Feb 89

[Text] A blackout was reported last night in several cities and towns of the fifth region. It has been attributed to a terrorist attack.

In an official communique, Chilectra [Chilean Electric Company, Ltd.] reported the blackout this afternoon, stating that the subversive action occurred yesterday at 2259. The attack interrupted the electric power supply in Renaca, Concon, Quilpue, Belloto, Villa Alemana, and Penablanca.

The communique adds that the explosion damaged Chilectra's 110-kilowatt powerline and that the electric power supply was restored early this morning after Chilectra personnel worked through the night to overcome the emergency.

*** Bishops View Political Role of Church**

*** Bishops Conference**
33480090 Santiago QUE PASA in Spanish 22 Dec 88 pp 8-9

[Article by Cristina Ferrer D.: "A Different Light"]

[Text] At their annual meeting in Punta de Tralca, the bishops faced a heavy agenda. Just by looking at the briefcases carried by the participants, one could tell that they would feel pressed for time.

Many items on the agenda were those planned at the 56th Plenary Assembly of the Episcopal Conference of Chile (CECH). Expectations were running high.

This was the first meeting of the church hierarchy since the plebiscite. Moreover, for the first time in years there was a sort of "majority" of "conservative and moderate" prelates.

In fact, those missing included Msgr Jorge Hourton, who is on a prolonged sabbatical in France; Msgr Carlos Camus, the bishop of Linares who is currently out of the country; and Msgr Jose Manuel Santos, the bishop of Concepcion who is about to step down but who finally—and unexpectedly—attended the third day of sessions. The three absent bishops are well-known progressives.

Episcopal 'Dossier'

It was assumed that the participants would arrive at the meeting already having read the preliminary draft of the pastoral letter on National Reconciliation that Msgr Bernardino Pinero, archbishop of La Serena, is writing (see box).

Add to the episcopal "dossier" the instructions to analyze the Vatican document on the role of the Episcopal Conferences, plus draft documents on the CECH internal bylaws, an account of the efforts of the Christian Base Communities (CEB) over the past 20 years, and guidelines for revising the church's catechistical activities.

And as if that were not enough, the participants also were supposed to organize the committees for the celebration of five centuries of evangelization in the Americas, and to take steps to form a youth pastoral, which will be an episcopal priority in the coming years. These are just a few of the most significant items on the agenda.

In addition to all that, of course, the 28 bishops in attendance, plus the two apostolic administrators (Ulises Aliaga from Iquique and Ricardo Martinez from Illapel) and the pro-vicar of Aysen, Victorino Bertocco, wanted to conduct an in-depth analysis of the national situation after the plebiscite and to light the way for Christians in the transition to full democracy.

More Than They Can Chew

The bishops almost did not get to this latter point, stated Msgr Sergio Contreras, secretary of the CECH, at a press conference on Saturday the 17th. In other words, many items were left for the next meeting in April.

Rather than the 5 days planned for the debates (from Monday 12 December to Friday 16 December), the Plenary Assembly met for only 3 ½ days.

To begin with, on Monday the 12th, all the bishops inaugurated the sanctuary for the first Chilean woman to be beatified, Sister Teresa de los Andes. The ceremony lasted well into the afternoon, and the trip from San Felipe to Punta de Tralca is not short. Although some traveled by car (Joaquin Matte and Patricio Infante, for example), the majority went by bus. They reached the coast at 2230 hours. They were so tired that the first session, which had been scheduled for after dinner, was postponed.

On Tuesday they opened the Assembly in the presence of the new nuncio, Msgr Giulio Einaudi. While Msgr Contreras was meeting with the press (who were allowed into the meeting hall for that occasion only), the nuncio gave a brief lecture to the rest of the prelates. Einaudi, who is fluent in Spanish and has proven to be quite spontaneous, spent an unscheduled 20 minutes greeting the Chilean episcopate. Since he did not know them well, he took the entire day to speak personally with each one.

More Items!

As if the items already on the agenda were not enough, in view of the obvious impact on public opinion of the text released after the call to the 15th Congress of the Communist Party, Msgr Carlos Gonzalez, president of the CECH, announced that the bishops will also study the points contained in that document.

More reading!

Nor did anyone overlook the private meeting Msgr Gonzalez held with the men who at that time were the three preliminary candidates for the Christian Democratic (DC) nomination for the presidency of the republic, right in the middle of the crisis that group was going through.

Many bishops found out through the press, when they were already in Punta de Tralca, that Gonzalez was going to try to smooth over differences in the DC. Thus, although the matter of pastoral mediation in political conflicts was not included on the agenda for debate, it will be discussed at some point.

Future Changes

There are some among the clergy who resist being relegated to the "rearguard," now that the "voiceless" have a voice (in the political parties, that is). They want to remain in the thick of things. And with the notion of mediation—what have they said! They are exerting more and more pressure for the church to take an increasingly active role during this post-plebiscite period.

Another sector argues that it is up to lay people to solve their own problems, and that the duty of pastors is to guide them. This is the view held by the cardinal-archbishop of Santiago, Msgr Juan Francisco Fresno; the bishop of Rancagua, Jorge Medina; and the vicar of the Northern Zone of the capital, Msgr Antonio Moreno, among others.

And this line, it is believed, will prevail in the future. Reasons: Although Fresno will turn 75 in the middle of 1989 (the age at which the Vatican asks people to place their offices at the disposal of the Holy See), it is speculated that he will remain at the head of the principal diocese in the country, at least until after the new government takes office in 1990.

Moreover, the Holy See still has to appoint five bishops, and they are expected to be more moderate people (the last one was that of the prelate of Opus Dei, Adolfo Rodriguez, now in charge of the Los Angeles Diocese). Thus, it is obvious that the emphasis of the CECH will shift.

Something different could already be seen in the Christmas message for 1988. It began by asking people to look to Jesus, "light of the world," who "can help us see in a different light this special moment that our fatherland and our faith are undergoing." It asked all believers to pray for the political leaders so that "they will find, together, roads to understanding rather than confrontation..." (a phrase coined by John Paul II during his visit to Chile).

The text of this message contrasts with that of December of last year. It is clear that it was written by another pen. In 1987, the Christmas message emphasized the need for

equal access by all political sectors to the mass media, especially Channel 13 of the Catholic University, and it set forth the ethical conditions for the plebiscite to be clean and transparent.

In last week's message, only three of the document's nine paragraphs are implicitly devoted to public affairs, and they allude elegantly to "the politicians' responsibility."

Last year more than one person wondered whether it was proper for the bishops, as a collegiate body, to express opinions on these matters. And although it was presumably a document that reflected the views of all the bishops...it was apparent that the text did not represent unanimous thinking.

Truth by Majority?

It is here that we come to the most important issue discussed by the Plenary Assembly: Do the Episcopal Conferences have the doctrinal magisterium or not? The matter is of concern not only to the CECH. A year ago, the Vatican sent every bishop in the world a document that discussed the nature and objectives the Episcopal Conference should have within the church. This is a complex issue.

This is especially true for our bishops. Indeed, the deadline for responding, either individually or collectively, comes at the end of the year. The nuncio recalled a short time ago that Chile was one of the few countries that had not yet sent its views...

Msgr Oviedo, along with Msgr Medina and Msgr Santos, drew up a kind of manual to facilitate the reading of this complex text. The bishops were expected to have studied it beforehand, but as Oviedo told QUE PASA, many had not even leafed through it.

Now, since it is necessary to respond to the Holy See, Oviedo pointed out that the CECH will merely call the Vatican's attention to the contradiction between the document sent, which states that the magisterium is not exclusive to the Episcopal Conferences, and the new Canonic Law (1983), which states the opposite.

As is known, the Episcopal Conferences' primary objective is to support each bishop in his pastoral work. With the passage of time, these collegiate bodies of bishops have tended to become more bureaucratic, so that in some cases (as in Chile's), they have attenuated the power—or magisterium—that each bishop has by his own right in his diocese.

In 1984, Cardinal Joseph Ratzinger, whom the Vatican entrusted with all matters of faith, commented that the Episcopal Conferences "do not have a theological basis; they are not part of the structure of the church, as Christ desired, and have only a practical, concrete function."

Nonetheless, the new Canonic Law (Canons 447 through 459) states that the Conferences cannot act on behalf of all the bishops unless all of them give their express consent.

Therefore, the documents emanating from the Conferences have no specific value, only the value of consensus that is attributed to them by each bishop, since this prevents the emergence of an anonymous power.

This debate on magisterial competence took place last year during Ratzinger's visit to our country. On that occasion, he indicated that there are times when this "anonymous power" operates as if the truth were a matter of numbers or majority, when truth either is or isn't.

The truth is not subject to the problem of majorities, he said. And a majority, as such, cannot decide on doctrinal matters, because the truth lies in human intelligence, and this naturally limits the magisterial factor of the Episcopal Conferences.

If the position of Ratzinger's document is upheld, the "power" of the Episcopal Conferences would be significantly reduced, something which does not please many members of this collegiate body in Chile. Hence there was no agreement, and we will have to wait until next April to evaluate the final orientation the CECH will have in the future.

[Box, p 8] National Reconciliation

For more than a year, the former president of the CECH, Msgr Bernardino Pinera, has been gathering evidence to write a pastoral letter to provide guidance to all believers regarding their role in the political, economic, cultural, and social world from a theological perspective.

The methodology for drafting this document has been innovative.

For the first time, labor, business, political and intellectual sources have been consulted. This new style was employed by the American bishops when they drafted a similar letter. They commented to Pinera on the idea when they visited us last year. He was enthused with the system, and called in Alfonso Silva, member of the Social Union of Christian Businessmen (USEC), to work with him. He also has a consultive body comprised of Jose Zabala, president of the USEC; Jose Aguilera, secretary of the Workers Pastoral; Father Renato Poblete; Msgr Alfonso Baeza of the Workers Pastoral; Juan Pablo Arellano, economist; Pedro Morande, sociologist; and Jorge Precht, attorney. Eleodoro and Patricia Matte, who are brother and sister, are also contributing their views.

It was assumed that a preliminary draft would emerge from the recent Plenary Assembly, to be submitted to "Christians and Moors alike" throughout the country for their opinions. According to Silva, the final document

would be delivered once all these opinions had been gathered and analyzed. To his surprise, the CECH decided to "recognize the intensive effort made by Msgr Pinera (...)" and agreed that the final version would be drafted in light of John Paul II's encyclical "Sollicitudo Rel Socialis."

Conclusion: Sources told QUE PASA that consulting so many people so extensively caused certain specialists to doubt the doctrinal nature of the document. They argued, once again, that the strength of the magisterium does not lie in consensus or in majorities, and apparently the long-awaited orientation for the National Reconciliation will not entail more consultation, but rather will be based on traditional church doctrine.

* Bishop Camus on Reforms

33480090 Santiago CAUCE in Spanish
2 Jan 89 pp 16-18

[Interview with Bishop Carlos Camus by Victor Vaccaro in Vina del Mar; date and time not given]

[Text] In the more than 15 years of dictatorship, the Catholic Church has, without a doubt, been "the voice of the voiceless," at the price of the steady deterioration of its relations with the government. On this interminable Via Crucis, there were times when church officials also preferred to remain silent or to tone down their denunciations. It was at those times that the firm voice of Msgr Carlos Camus could be heard most strongly. Referring to this man of 61 years, a third of which have been spent as bishop, the daily LA EPOCA wrote in an editorial: "His task has not been easy. To speak when it is more comfortable to remain silent, to commit oneself when it is much more beneficial to abstain, to lash out when it is easier to acquiesce, certainly earns one many enemies." The Bishop of the People, as the poor all over Chile call him, has paid every price, but never the tribute of silence. His pastorals in the past 2 years have been particularly influential. Today, taking refuge in his sister's tranquil home in Vina del Mar, he did not avoid a single issue.

[CAUCE] Since 15 October, has the risk of taking the path of national suicide, as you warned in early 1987, disappeared?

[Camus] Not entirely. The plebiscite was the most important event of the last few years, and it raised great hopes, because it showed that even after so many years of dictatorship, the people still had their dignity and their ability to react. It was an impressive show of moral force. But today we face the hope produced by the plebiscite and the frustration that is growing, and that I consider dangerous. For this reason, I believe that the risk of a disaster is still present.

[CAUCE] What are the origins of that frustration?

[Camus] The first factor in that frustration stems from the government, which did not actually acknowledge its defeat and has tried to step up efforts to prevent change. This runs counter to history and democracy. The second factor has been contributed by the leaders of the opposition, who have not proven capable of understanding the process. They have become lost in matters that are legitimate during times of democracy, but are a waste of time now, and they dampen people's spirits.

[CAUCE] Are you referring to Pinochet's statements to the effect that constitutional reforms would produce a "new collapse"?

[Camus] Yes. That is the position of a defeated person who should understand that the people have chosen a path, and should respect it; he should not throw himself into a desperate situation. To harden his stance to increase the temptation to take the path of violence is very irresponsible.

[CAUCE] Do you think it is possible that Pinochet will run for office again?

[Camus] No. I think there are exacerbated nationalist sectors that want to prevent the advent of democracy in any way they can, and they are trying to provoke violence to justify a second coup.

[CAUCE] When you mention frustration in the opposition, are you alluding to what is happening among the Christian Democrats?

[Camus] Of course. That has been very unfortunate. I think the leaders have not yet grasped the seriousness of this. Everyone should take a more elevated view of the politician's role at this time in Chile's history. One must be very generous, and then put oneself in other people's shoes to understand their plight, their frustration since the plebiscite. The joy of the "no" victory led to a great hope that united all sectors. On the other hand, everything that is divisive or argumentative, as if we were in a parliamentary democracy, confuses people. They don't see the greatness they expected in their leaders. The destruction of the image of such respectable men as preliminary candidates has caused tremendous damage, not only to the Christian Democratic Party (PDC), but to Chile as a whole. Perhaps a new man would be better able to regain confidence, with a very generous attitude on everyone's part to show that they are united in calling for everyone else to unite. I think the other opposition parties have been very generous in remaining silent.

[CAUCE] How much do you think the church contributed to the "no" victory?

[Camus] It would be wrong to say that we had no influence. The principal factor, which cannot be measured, has been the power of rhetoric. Secondly, the church's defense of human dignity and social justice were determining factors, in that it clearly pointed out

the sins of the dictatorship. The third major contribution was civic education, through organizations that, though not part of the church, were heavily influenced by it. They taught Chileans to cast off their fear and to defend their vote. All of this indicates that the church had a great impact on the triumph of the "no" vote.

[CAUCE] Does that include mediation to aid the transition?

[Camus] That is not impossible, but mediation works to the extent that the parties ask for it. At this time there doesn't seem to be any desire to ask for it. We bishops don't want to overstep our bounds. If we have come to the point of intervening in the country's social and political life, it is because the problems have been serious enough to warrant it. The church has an obligation to intervene to exorcise sin. But when life is free and people have legitimate options, overstepping the bounds of our purview constitutes clericalism.

[CAUCE] Is it fair to say that the hierarchy in Chile is moving to the right?

[Camus] That is an outward impression that may be valid, because there have certainly been changes. Some bishops, such as Cardinal Silva Henriquez and Monsignor Santos, have retired; these are two very unfortunate losses. And new bishops have come in, bringing new orientations. Looking in from the outside, one might very well come to the conclusion that the church has moved to the right, although within the church those terms are very relative.

[CAUCE] Is this reflected in the latest Episcopal Conference, whose final declaration is considered a little evasive?

[Camus] When there is no easy agreement, declarations generally end up being very vague. I personally am very disturbed by language that says nothing. But one is part of a College, and one must be loyal to one's brothers. If we belong to a Conference, we must accept the give and take of majority and minorities; we must collaborate without destroying what we are doing. If I had made a declaration, it would not be couched in those terms.

[CAUCE] Where would you have placed the accent?

[Camus] I would have placed it, first of all, on the need to clarify the fact that in the plebiscite, Chile expressed an opinion that must be taken into consideration. That it was very important to pave the way to democracy, rather than blocking it. That it was urgently necessary to undertake social reform to give the poor what they have been denied for so long. The poor and the young cannot wait. I would say that the hope for democracy in Chile may be dashed.

[CAUCE] Would you say that the human rights situation has improved?

[Camus] I think that it has not improved. Perhaps they have become more selective, but there are still many violations that no one knows about.

[CAUCE] What is your opinion of the Supreme Court's sanction of Judge Garcia Villegas for denouncing torture?

[Camus] From the moral point of view, it seems very negative to me, because that calls the whole system into question. Bad is good and good is bad. The worst corruption of all occurs when sin becomes virtue and good is considered a sin. That is a perversion of everything. Torture appears to be a necessity, the end justifies the means, and that strikes me as the most immoral thing in the world. For an honest man to do his duty as judge and then be admonished for it, that seems to me to be the utmost corruption of the system.

[CAUCE] And when we add to that the fact that people in military justice appear to be involved in the murder of a chief of the National Center for Information (CNI)?

[Camus] That is just one rumor. It seems to be a gangster war like the one in Chicago, and in the case of Prosecutor Torres, no one knows what band he belongs to. No one knows where military justice ends and where the security apparatus begins. This is violence unleashed. What is legal is simply not important. Only force is used. It's like in the jungle, where might prevails. It is scandalous that after such events, those responsible are sometimes actually promoted.

[CAUCE] Were you one of those who felt that Pinochet should get out soon?

[Camus] Yes, I think that was the most appropriate thing, morally. Government leaders usually step down shortly after a defeat like the plebiscite. The fact that the opposition is accepting this situation may be a political measure to prevent a militarist reaction. They had to play the game by the rules laid down in the dictatorship's Constitution.

[CAUCE] Could the refusal to accept constitutional reforms be an attempt to create the conditions for a new military uprising?

[Camus] Yes, but I think that many in the government abandoned that idea, and National Renovation and even Minister Caceres would be unwilling to be associated with such an adventure. I believe that Pinochet no longer has the strength to do it, even within the military itself. The new military leaders seem to desire to return to a more professional attitude, and they seem to have grown tired of that adventure, which would only bring disgrace and destroy the institution that they want to preserve. They don't want to be used anymore, or to sponsor the abuses and political errors that have been committed.

[CAUCE] If the reforms are not accepted, could there be another plebiscite?

[Camus] The problem with another plebiscite is that he would have to approve it. The only appropriate thing in this case is a very strong moral pressure—even on the part of his own supporters—to convince him that what he is trying to do is absolutely antipopular, and to make him see that his time is up.

[CAUCE] Meanwhile, privatizations of all kinds are proliferating...

[Camus] That is part of the capitalist policy of the economic groups that want to take advantage of every possible opportunity to create an irreversible economic system. When we end the political dictatorship, the economic dictatorship gathers strength. And that, added to military power and the control of communications, will make the next democratic government nothing but a figurehead.

[CAUCE] What do you think of the idea of the Convergence [Concertacion] declaring that it will not recognize any privatization carried out after 5 October?

[Camus] That strikes me as a very healthy warning to those who want to do business by taking advantage of the quick sale of what belongs to the entire country.

[CAUCE] Do you see any positive change in TV, especially Channel 13?

[Camus] In Chile we had University TV and the National Channel, which were set up to reflect the whole country independently of the government in power or the influences of one sector. I think that private TV has the disadvantage that it uses the most commercial elements, which are not always the most cultural. That is why it is public in many European countries. We are particularly concerned about the TV of the Catholic University, in which there is government intervention. That is why we are constantly trying to help Cardinal Fresno to assume his role in the channel and the university and to exert his influence so that it will be more open, more respectful of all Chileans.

[CAUCE] What is your opinion of Minister Caceres' attempts to impose certain limitations on a possible dialogue with the Convergence?

[Camus] I think it is a limitation that has been imposed on the interior minister, who should be able to hold talks with all political groups. When people don't talk, they are pushed toward uncivilized methods. Not wanting to talk seems negative to me. Everything that is dialogue is a deterrent to violence. That is why we advocate a dialogue. We must find ways of reforming those aspects of the Constitution that appear to run counter to the national interest. The fact that government parties are supporting it is positive, as is Gen Matthei's expression of satisfaction with this dialogue. They are beginning to understand that the only way to straighten things out is by talking; otherwise, reconciliation will be impossible.

[CAUCE] In that context, what is your view of the call to the 15th Congress of the Communist Party (PC)?

[Camus] I think there is a much more profound schism between the PC and the military apparatus of the Manuel Rodriguez Patriotic Front (FPMR) than can be seen from the outside. The PC is afraid of losing young people who are attracted by adventure, and that is why it has to give in, albeit rhetorically, to the military arm's ideas of "all forms of struggle." This could be considered irresponsible. In any event, hitting the PC today, when it is persecuted, is not the same as doing so in a democracy, where it could defend itself. Because its conduct is important for the return to democracy, it should be asked to behave responsibly and not use violence to regain its rights in a democracy. The government, in banning this party, is pushing it toward violence. Strategically, it would be good for the PC if Pinochet went so far as to do away with the entire democratic opposition, so that it could turn the tables and impose a dictatorship harsher than Stalin's in Russia. There is something Machiavellian in all that. At heart, all violence converges.

[CAUCE] Do you see 1989 as a truly decisive year?

[Camus] Yes. This will be a year of maturity, of much patience. It will require maximum wisdom, because we must move with serenity even when the dictatorship is still in power, even with all the provocations it is undertaking. We still have to make a very great effort to overcome hatred. The plebiscite brought joy, but it has not killed hatred, especially the hatred of people who fear losing their money. Class hatred always begins with the powerful. I have hope that those who have suffered so much during these 15 years will be more generous.

* PPD Head on Presidential Consensus Candidate

33480092a Santiago HOY in Spanish
19 Dec 88 pp 10-12

[Interview with Ricardo Lagos by Maria Irene Soto; date and place not given; first six paragraphs are introduction]

[Text] His friends call him "Richard Lakes."

"That's an old story," remarks Ricardo Lagos, laughing. The 50-year old attorney and PhD in economics, who is married and has five children, recalls that he earned the nickname when he joined the Economics Institute of the University of Chile, which was run by Carlos Massad, as a research assistant.

His colleagues were all foreigners, and the publications editor thought that nothing would be funnier than to change the byline of his articles to "Richard Lakes" instead of Ricardo Lagos. The proofreaders did not catch the mistake, and it was printed as is.

Several years have passed since then. At present, Lagos, the president of the Party for Democracy (PPD), is regarded as one of the undisputed leaders of the Chilean left. Paradoxically, though, he does not want to be a candidate.

He contends that at the current political crossroads the most important thing is to regain the unity, organization and confidence that existed in the Concerted Effort for No [Concertacion por el No] until before the plebiscite. He cannot understand why one of the symbols of the 5 October victory, the House of No on the corner Alameda and Lastarria, is empty, especially when there is a series of specific tasks to be carried out, such as "defending the fired workers, fighting for space on television. Some little forum that they invite you to from time to time isn't enough."

Analyzing the consequences of the plebiscite, he asserts that "the most important thing is that the great majority perceives that in one way or another it dealt Pinochet a major defeat from which he has not yet recovered. This business of us having the government we deserve and of not being 'capis' has changed. The second stage is to build democracy. This is December; we're involved in a different task. We already completed the 1988 one."

[HOY] Does this mean that the opposition will be taking a vacation?

[Lagos] No. It's a bit like the feeling that since we defeated him, we have confidence about what we did. From the regime's viewpoint, I see an isolated, solitary Pinochet. What Pinochet says is no longer of concern to the country.

[HOY] Yet Pinochet is still in power...

[Lagos] Of course he is. But people know that he is not going to decide their future. He could try, like every dictator in his final days, to leave everything tied up or pull some trick, but he knows that these are his last 15 months.

[HOY] Considering the large number of presidential hopefuls, wouldn't it behoove Pinochet to amend the constitution and run for president?

[Lagos] As far as I'm concerned, I would change the constitution for him tomorrow and let him run. He won't get 30 percent. Pinochet is finished.

[HOY] Why are you so sure?

[Lagos] Because Pinochet was defeated. He is no longer feared. Even the political parties close to him have kept their distance. Some are with Buchi, others with Pablo Rodriguez and a third group is busy with Onofre Jarpa. But no one is making it a point to say that he has Pinochet behind him. Don't you see that there are going to be elections, and they have to seem like democrats.

[HOY] Your analysis is a bit optimistic, isn't it?

[Lagos] I don't want to seem optimistic; I just see the facts as they are. You're right. Pinochet is in there with all of the institutions on his side, with Article 8. If we wants, he can have me at the border tomorrow. Obviously he's there, but with much less power. The Pinochet of December 1988 is not the Pinochet of September.

[HOY] Why with less power? Look at the privatizations.

[Lagos] Sure, the problem is not Pinochet; it's the opposition. What has the basic shortcoming been? In my judgment, the opposition began to act as if there were democracy. It cannot afford the luxury of taking 3 months to choose a presidential candidate or debating whether or not to register this or that organization.

[HOY] Do you share the view then that the candidate should have been designated before the plebiscite?

[Lagos] The mistake was not having maintained the same effective organization that we had up to the 5th and that was dismantled on the 6th. Today we are the majority, and Pinochet is the minority. So we have to show that we can guide and lead this country. And we have not done so, and this is why the country is pointing its finger at us political leaders.

[HOY] But the opposition did something else and in fact accepted the constitutional timetable.

[Lagos] After the plebiscite the opposition sent out the wrong signals. Because it is a wrong signal for one party to say that it is going to devote itself to nominating a candidate and for another to say that it is going to devote itself to registering. Imagine if we had managed to move the constitutional timetable forward and were having parliamentary elections in March. The friends of PAIS [Broad Party of the Socialist Left] would no doubt have complained because they would not have been able to register their party. Without having to make a statement, the opposition sent out signals that implied it was accepting the timetable.

[HOY] The opposition chose a different path: designating precandidates, and they are seemingly unable to come to terms on a name. What do you think is the best way out of this crisis?

[Lagos] If we had succeeded in setting forth a series of tasks for the rank and file, no party would have dared to take off and name its own candidate.

[HOY] Let's imagine that the Concertacion had nominated Aylwin. Is a candidacy that does not have complete party support possible?

[Lagos] We would have had to make it possible, because no candidate was going to be supported one hundred percent.

[HOY] Personally speaking, was Aylwin your man?

[Lagos] I never expressed my personal inclinations for any of the Christian Democrats because it seemed to me that that was interfering in an internal problem. But as Tomic said, I would have preferred for them to propose several names to the Concertacion.

[HOY] Don't you acknowledge their "preferential right" to proclaim a candidate either?

[Lagos] I told them: Gentlemen, all of us who were involved are the owners of the 57 percent. I think that that is clear for the country at this juncture.

[HOY] Some contend that the internal crisis has hurt you in this effort...

[Lagos] I think that the three of them are going to come before the country and step back.

[HOY] But don't you think that they have discredited themselves?

[Lagos] I don't think that it has been edifying for the country.

[HOY] And what about for the opposition?

[Lagos] Not either. This hurts us all. This is not a problem about which anyone in the opposition can be happy.

[HOY] What would happen if instead of two candidates, one government and one opposition candidate, several appeared, necessitating a second round?

[Lagos] I think that's an unrealistic scenario because the opposition is going to have a single candidate.

[HOY] When?

[Lagos] In the next few months. But there is going to be a single candidate here. A party that wants to run its own candidate is going to be penalized by the country. Don't come and tell me that Pinochet's constitution calls for a second round. My party is going to stress that to the bitter end and we're going to speak out against anyone who wants to stray from this. Whoever thinks that this is the time to give priority to the particular color of the rainbow to which he belongs is mistaken! The country wants the rainbow to remain because once Pinochet is out we have to build democratic institutions.

[HOY] Perhaps it would be better to nominate an independent. What do you think of Alejandro Hales?

[Lagos] Splendid! I've mentioned him many times. But I've mentioned a lot of names. I've also been asked about Frei, Valdes and Aylwin...

[HOY] But you said that it would be best for them to step back...

[Lagos] The way in which they have handled the nomination has not been the most appropriate, and the country perceives this too, out of common sense. But this is not a veto for Christian Democracy. But I do think that things were handled poorly, and in politics they have to be handled well.

[HOY] While you were out of Chile, PAIS was born. How did you receive the news?

[Lagos] I think that it was positive in the sense that the communists took that path. But this is not what the country wants. For the same reason I disagreed when the DC [Christian Democracy] wanted to register, because that is attaching priority to your own profile when there is a need for a comprehensive understanding.

[HOY] Speaking of understandings, is it true that the Nunez PS [Socialist Party] and the Almeyda PS are holding talks about unity?

[Lagos] I have not been openly involved in them, but it is my understanding that there have been quite frequent talks between those two groups. I think that the issue of socialist unity could be largely resolved this way.

[HOY] You insist that you are not a candidate. Why?

[Lagos] I want to be very frank with you. A week ago at a rally in Valparaiso a lot of people came up to me and said: "So what are you waiting for? We want to vote for you." And there are others who tell me: "We understand your position."

There are two elements here. One is ethical: the country wants to see its political leaders behave somewhat retiringly and not place what could seem like their personal interests in the foreground. The second is a more rational matter: we need a national government, and if the country perceives Mr Lagos as closer to one extreme, then obviously he is not the best person to head this government. It is not fear, it is not that I don't dare or want others to burn out, as I have been told. I have shown that I am not afraid and, as people say, I'm not that humble about certain things. The point is: would my candidacy foster national unity?

[HOY] Some have said that you are "saving" yourself for a future government...

[Lagos] A friend from the DC told me that, and I asked him to appoint me to his party's board, and I would accept. I'm not afraid. The only thing I'm trying to do is introduce rationality.

The logical thing would have been to reach a quick understanding on a candidate. When I said "not me," I thought that I was making things easier. Because I've got some influence. Why fool ourselves. That's how it is! But what the country needs is something else.

[HOY] So what is the solution?

[Lagos] One way of expressing a national consensus is to hold a broad-based convention at which all political sectors and all segments of society are represented, in addition to the regions.

[HOY] Why do you think the DC is opposed to such an idea?

[Lagos] Because they're afraid that their candidate won't be accepted.

[HOY] And if the convention nominated you, would you accept?

[Lagos] A tough question. But I'm not going to pay attention to them. Don't worry.

[HOY] So far the PPD has not proposed a candidate. Will you ask for some sort of compensation in return? A ministry perhaps?

[Lagos] No (laughs). Presidents decide about ministries.

[HOY] But that's blindfolding oneself. There will no doubt be some sort of negotiations among the parties...

[Lagos] It seems to us that there could be a mechanism for understanding on that. But parliamentary compensation is not the point. I think that just as there is a common mechanism for nominating a presidential candidate, there ought to be one to make sure that we in the opposition, the majority in other words, give our backing to that government.

[HOY] And what if this is not possible?

[Lagos] Then most likely there will be unity around the candidate and competition in the parliamentary elections among the parties that support that candidate. So let's make sure that the candidate who is nominated does not have characteristics that are going to interfere with the competition. I do not think it would be right for a candidate to say: "Vote for me [for president] and that guy for parliament" and for someone else not to be able to say that because he does not belong to the same party as the presidential candidate.

[HOY] But there are posts that the chief executive decides on. What responsibility would you like to take up?

[Lagos] Whatever the president thinks is most appropriate. I'm very sincere about that. Moreover, I don't believe in quotas. That is no way to govern.

[HOY] How do you see 1989?

[Lagos] A good question. I think that it's going to be an intense year with all those issues on which we are going to have a common program, a candidate; we will negotiate reforms of the constitution, and Pinochet will periodically be tempted to turn the clock back when he sees that the dictatorship is ending.

There is, of course, going to be a great deal of electoral ferment in nominating the candidate, and we will return to the large rallies of the year that is drawing to a close. Nevertheless, I think that it will never be like this year. We are never going to have the privilege of facing and defeating a dictator.

[HOY] And what about personally?

[Lagos] I suppose that I'll be president of the PPD.

* Humanist Leader on Elections, Party Role

33480092b Santiago CAUCE in Spanish
26 Dec 88 pp 11-13

[Interview with Laura Rodriguez Riccomini by Victor Vaccaro; date and place not given; first two paragraphs are introduction]

[Text] She was the vice president of the Humanist Party on the Board of Directors headed by Jose Tomas Saenz and made a name for herself with her intelligent performance during the early days of the program "De Cara al Pais" [Face the Nation]. Today, Laura Rodriguez Riccomini, 31 years of age, a civil engineer, one son, is the first Chilean woman to seek the nomination for president of the republic. Oddly enough, some people still wonder whether her bid is serious. Therefore, we wanted to know, first of all, how Laura felt about having the issue put to her this way:

"It doesn't particularly bother me, but I never know what they're referring to when they ask whether it's a joke: whether the PH [Humanist Party] is a joke, if it's my age or because I'm a woman. Those three things together are surprising to people."

[CAUCE] And what about when you hear Lagos or the Nunez PS [Socialist Party] say that a man or a woman could be the candidate?

[Rodriguez Riccomini] The PPD [Party for Democracy] has been reassessing all of its positions, especially with regard to discrimination against women. To shatter the prevailing models we are saying that the women's branches of the parties need to be eliminated. The more traditional parties have to make gradual headway in this regard as well.

[CAUCE] Did the PH want to underscore its different posture by nominating you?

[Rodriguez Riccomini] It wanted to spotlight a new style, a viewpoint that emanates from humanism and that places the human being as the central value. There is no room here for discrimination as to sex, age, religion or ideology. This is also part of the new times, of the incorporation of women into society. We are 15 years behind in Chile. Organizations and individuals must adapt to the new times.

[CAUCE] Does the fact that you are not of "legal" age to run represent a challenge to the regime's institutions?

[Rodriguez Riccomini] My nomination represents an effort to speak out against the fact that the constitution legitimizes discrimination against young people by setting 40 as the minimum age to run for president. We have sent a letter to the various parties asking them to take a stand on the need to change this point too, and we have proposed the same thing to the technical committee of the Concertacion.

[CAUCE] How do you feel about this point not being among the modifications that the 17 parties are calling for?

[Rodriguez Riccomini] We were quite surprised that none of the parties in the Concertacion has come out in favor of this modification, although they did agree on lowering the age for deputies to 18 and for senator to 30. We are going to keep on demanding this reform in the Concertacion, in parliament, in the future government. We feel that this traditional way of practicing politics is holding back the younger generations and the country's development.

[CAUCE] Could it mean that the other parties are ruling out the Humanist candidate?

[Rodriguez Riccomini] I don't feel that they are ruling me out; they are discriminating against a large segment of the population. In this situation the PH reserves the right to keep on battling independently for this amendment to the constitution.

[CAUCE] Could you ever run as a separate candidate?

[Rodriguez Riccomini] We have said that there must be a single candidate. If in the end I am not one of the nominees that the Concertacion takes a look at, the PH will have to decide which of the nominees it finds most appropriate to carry forward the program of common government.

[CAUCE] You were with Saenz on the previous Board of Directors. What was the reason for his sudden departure and disappearance from the front ranks?

[Rodriguez Riccomini] What happened with Jose Tomas was what was mentioned at the time. At that moment we held internal elections that coincided with a strong challenge to centralized decisionmaking. It was very important to define our strategy because all of the work to train [polling place] representatives and other tasks of the plebiscite were on the way.

[CAUCE] At the cost of doing without a charismatic leader like Saenz?

[Rodriguez Riccomini] That is in keeping with the traditional thinking that identifies organizations with individuals. We feel that it is better to identify them with working teams. Jose Tomas' contribution has undoubtedly been enormous. He helped me to overcome the discrimination against women and to carry my proposals forward. Nonetheless, we needed to move on to another stage, and he understood that and resigned.

[CAUCE] How does your party reconcile its criticism of personality cults with its allegiance to Mario Rodriguez Cobo, the theoretician who gives guidelines to 40 parties around the world?

[Rodriguez Riccomini] That is totally untrue. Rodriguez Cobo headed the Community for Human Development in 1975, and from it arose the Humanist Party, but there is no other direct connection. The PH exists independently in 40 countries, and in January we are going to establish the Humanist International. I personally feel that Mario Rodriguez is a great thinker, but he exerts no political leadership over the PH.

[CAUCE] The Chilean PH did not deny at the time that Rodriguez disagreed with the way it was being run...

[Rodriguez Riccomini] That news item was published in EL MERCURIO. I was in Mendoza at the time and I know quite well what was discussed there. There was also talk there about Chile being part of the world situation, but not about anything that was reported in that chain of newspapers.

[CAUCE] The impression is that for some time now Humanism has been losing its initial momentum and strength.

[Rodriguez Riccomini] The problem is that the things that we have done so far have been very showy. But we are doing a lot. After the Expanded Congress that we had and at which my candidacy was launched, we approved four lines of work:

1. The organizational strengthening of the party in the various regions, which will get a lot of people involved;

2. Work inside the Concertacion, with our representatives on all of the existing working committees;

3. Today we finish the survey that we have been taking all over Chile. This week we will have the results of the 50,000 interviews on how the majority feels about human rights, reforming the constitution, the economy, the future government and the single candidate.

[CAUCE] To what practical use will you put the findings of this survey?

[Rodriguez Riccomini] We have seen that people are very frustrated after the plebiscite. The question today is: What do we do now that we have mobilized and won? With this survey we are giving people the chance to speak out, to say what they think, to voice their demands of the future government. We will submit the findings to the Concertacion so that it bears in mind the opinion of the man in the street.

[CAUCE] Are you the only ones who are concerned about hearing these opinions?

[Rodriguez Riccomini] The traditional parties mobilized for the plebiscite, because it was a clearly electoral event. Now they have entered a period of internal criticism and will mobilize only next year, which will also be an election year. We feel that the mobilization must be ongoing and that the parties must not isolate themselves from social realities.

[CAUCE] Did the campaign demanding that Pinochet resign reflect these realities?

[Rodriguez Riccomini] That proposal reflected and continues to reflect the way people feel. We launched a campaign for the formation of the "Commands for Resignation" without seeking to monopolize them. There are many commands at the community and neighborhood level. It is harder for various organizations to come to terms on the regional level.

[CAUCE] But at this point all indications are that Pinochet will finish out his term...

[Rodriguez Riccomini] Our feeling is different. When the people voted no, they were saying that they wanted no more of Pinochet and the people around him. A social mobilization culminated with the plebiscite. We had to maintain that mobilization. At the time it was not at odds with common sense to call for Pinochet's departure.

[CAUCE] You were in agreement on this only with the communists...

[Rodriguez Riccomini] Not just with them. We feel that the Commands for Resignation have been a success in the communities, although the goal has not been achieved. There was a reason why they mobilized. The proof is that the first draft of the program of the Concertacion Democratica will be sent to the various rank and file committees, including the Commands for Resignation.

[CAUCE] So you have not failed because Pinochet is still in office?

[Rodriguez Riccomini] We believe that we have already achieved a practical result by channeling the people's aspirations. The Commands for Democracy are only now starting to be revived in the communities. The Commands for Resignation made up for this paralysis. Consequently, they have been useful even though they have not achieved their goal. We think that many things would be taken care of if Pinochet resigned.

[CAUCE] But you do not achieve things just by desiring them...

[Rodriguez Riccomini] Ah! I think you do. Things are achieved by desiring and wishing them. Emotion and feeling are very important.

[CAUCE] Do the most recent agreements indicate closer ties with the PC [Communist Party]?

[Rodriguez Riccomini] No. I would say exactly the opposite. The PH offers a nonviolent proposal, and sectors of United Left are getting behind it. The Command for Resignation has not been responsible for any act of violence. So we feel that it is very necessary for the PC to begin overhauling itself by adopting nonviolent stands and not getting on the latest bandwagon and to start modifying its traditional ways of engaging in politics.

[CAUCE] Do you see this as consistent with the call for the 15th Congress of the PC?

[Rodriguez Riccomini] It does not seem to me to be consistent with the type of struggle called for there. This is why it is so hard for the PC to get behind the specific proposals of the PH, because they would have to change a whole lot of things, which would be very good for the country. I think the problem with the PC is that it is living in the last century, like other parties too.

[CAUCE] In other words, you and you alone are new and modern.

[Rodriguez Riccomini] I would say that the Greens are also a new party.

[CAUCE] Might you not be lapsing into another form of sectarianism?

[Rodriguez Riccomini] No. This is a way to make a critical contribution.

[CAUCE] And where is the mirror?

[Rodriguez Riccomini] The mirror is in the results. We have been criticized or we have been called a circus. We said that we were going to register and we did. We brought in our joy later during the campaign for the no vote. So our mirror is very clear.

[CAUCE] Do you really think you have a monopoly on what is modern, pleasant, effective and linked to the masses?

[Rodriguez Riccomini] I'm completely certain of that. Under no circumstances do we disqualify individuals. What we disqualify are the old ways of practicing politics, which the people no longer want.

[CAUCE] What do you think of what is going on in Christian Democracy (DC)?

[Rodriguez Riccomini] I think that they're hurting their party, their activists, Chile and many people. As happens with any difficulty, the complicated part is not the problem itself but how to get out of it.

[CAUCE] Would the best thing be for the three presidential hopefuls to step down?

[Rodriguez Riccomini] I am saying up front that the DC, more than any other party, is moving too soon, because neither the mechanisms nor the criteria are clear yet. I see a serious problem there having to do with transparency and honesty. I don't know whether the best arrangement is for the three to resign. That could clear up the problem. So I think that it is still not proper to judge.

[CAUCE] And how long will the other parties wait?

[Rodriguez Riccomini] My understanding is until 17 February, because the PDC assembly has been scheduled for that date.

[CAUCE] Do you think that the DC has lost points to get its candidate chosen by the rest of the Concertacion?

[Rodriguez Riccomini] By all means. One wonders: If they have had those internal difficulties, how difficult will it be to work with other parties whose views presumably differ more than the views of that party's factions. In any event, things can always change.

[CAUCE] Perhaps an independent candidate would be better now?

[Rodriguez Riccomini] I won't take a stand on that. Obviously as far as the PH is concerned I would be the best candidate. We are moving forward with this candidacy because we regard it as very positive for the country. The important thing here is to define the mechanism for the nomination, and this is what we are doing in the Concertacion.

[CAUCE] Do you agree with Ricardo Lagos that dismantling the network of community committees of the Command for No was a serious mistake?

[Rodriguez Riccomini] Of course. I agree completely, because that network lent coherence to all of the work for the plebiscite. Under no circumstances can we say that the triumph of the no vote belonged to the top political echelons; it belonged to all Chileans. We have always been in favor of reactivating efforts among the social rank and file.

[CAUCE] And what do you think about the PDC's [Christian Democratic Party] meeting with National Renewal?

[Rodriguez Riccomini] We find it extremely positive that parties that were progovernment and did not call for constitutional reform are now coming out in favor of that. We are willing to talk with any party.

[CAUCE] Aren't you discouraged by the refusals of Pinochet and Merino?

[Rodriguez Riccomini] It shows that Pinochet is increasingly isolated and represents less and less people, even among those who voted yes in the plebiscite. Pinochet is on the way out and babbling his last.

[CAUCE] So in spite of everything, you are optimistic about the immediate future?

[Rodriguez Riccomini] Yes, I'm very optimistic. The Concertacion will be making very important announcements on 2 February about the program, the mechanisms for nominating the single candidate and electoral pacts.

Colombia

Four Guerrilla Groups Announce New Offensive

PA2302132189 Paris AFP in Spanish 2235 GMT 20 Feb 89

[Text] Quito, 20 Feb (AFP)—Four Colombian guerrilla groups have announced a "new offensive" against President Virgilio Barco's government and called the M-19 traitorous for holding a dialogue with the government, according to the Ecuadoran newspaper LA HORA, which today published a report on the communique that LA HORA says was sent by the rebels to its offices.

The daily said the bulletin was sent by the Army of National Liberation (ELN), the Camilist Union (UC), the Colombian Communist Party-Marxist Leninist (PCC-ML), and the Popular Liberation Army (EPL). The groups maintain that "all our militants will carry out new actions against the government."

The document was signed by Manuel Perez Martinez, ELN Central Command member in charge of political affairs, and EPL Commander Francisco Caraballo, who is also PCC-ML first secretary.

The minimum wage in Colombia is significantly below the rate of inflation which, when added to the 24-percent increase in fuel prices and other unpopular measures, "creates the conditions for a new wave of price increases that harm the people's cost of living," the communique states.

According to these four groups, this situation forces them "to develop a new offensive against the regime and to try to attain the sovereign management of Colombian resources."

"The criminal offensive has expanded, with increasing militarization in the countryside and the cities, thus increasing the number of people killed, missing, and pursued," the communique adds.

"Facts show the actions of Virgilio Barco's government are against political rights and the Colombian people's social and economic demands," the communique continues.

It also mentions that the ELN, the UC, the PCC-ML, and the EPL have proposed that the Colombian Government "freeze the prices of fuel and staple items for 2 years and increase the minimum wage, as proposed by labor unions."

The rebel document terms the M-19's attitude "treacherous and subservient" and charges the M-19 with violating previous agreements adopted by the Simon Bolivar Guerrilla Coordinating Board for holding a dialogue with the government in order "to divide the revolutionary organizations."

Two months ago, the M-19 agreed to the government's call for dialogue. The M-19 is still holding talks with presidential adviser for peace Rafael Pardo.

The bulletin issued by the four guerrilla groups agrees with the truce announced by the five FARC rebel fronts and with the Colombian left wing's call today for the guerrillas to facilitate a dialogue with the Barco government. [sentence as received]

FARC Urges Formation of Dialogue Commission
PA2402032389 Buenos Aires REUTER in Spanish 0144 GMT 24 Feb 89

[Text] Bogota, 23 Feb (REUTER)—The largest rebel group in Colombia today announced that it is willing to renew the order for a cease-fire if a dialogue commission is formed, at a time when the government and the political parties prepare to reestablish peace talks with the M-19.

The FARC today issued a communique proposing that four prominent members of the political, church, industrial, and news media sectors form a commission to renew the peace and reconciliation process.

The FARC added that if the government agrees to this condition, it "would renew the order for a unilateral cease-fire, thus setting the proper atmosphere for negotiations."

The FARC had declared a unilateral cease-fire in December. The four proposed members include former Conservative President Misael Pastrana Borrero; Cardinal Mario Rebollo; industrialist Fabio Echeverri Correa; and EL TIEMPO Director Hernando Santos.

The Colombian Government and the political parties will advance toward another phase in the peace process on Saturday, when they begin meetings to seek an agreement with the M-19 guerrilla group.

The meeting is aimed at informing the political parties' leaders of the government's efforts to attain a reconciliation and dialogue with the armed groups and to prepare for the meeting with the M-19, a government communique stated.

The document gives the dates for meetings with the Liberal Party (official), Social Conservative Party (main opposition party), and the leftist Patriotic Union (UP).

The M-19, a nationalist group, is the only rebel organization that has welcomed President Virgilio Barco's peace plan, which was made known in September of last year.

At a recent meeting in a Tolima Department mountain region, the government, through Rafael Pardo Rueda—the presidential adviser for peace—and M-19 leader Carlos Pizarro agreed to call upon the country's political parties and the other rebel groups to join the dialogue for peace.

The M-19 has reported that it will soon announce the names of its representatives at the "working tables." The representatives will be militants who have no legal charges pending, to facilitate their participation.

The M-19's top leaders are wanted by the law to face charges related to the bloody seizure of the Palace of Justice in Bogota in 1985. Approximately 100 people, including 11 members of the Supreme Court of Justice, died in that action.

The Catholic Church, the opposition, and the political left believe that a dialogue for peace must include all the guerrilla groups in the country and have complained that the peace efforts are being aimed at the smaller and less dangerous rebel group.

The so-called National Guerrilla Coordinating Board (CNG), which includes all the guerrilla groups in the country, has said that it is the only entity with which the government may validly negotiate peace and accused the M-19 of treason.

The government has said that it will talk with any rebel group willing to put down its weapons and make clear its desire for peace by suspending operations and attacks on the Armed Forces.

Two rebel groups, the FARC and the Popular Liberation Army, have said that they want to initiate talks with the government, but they have not ceased operations during the past 2 weeks, Pardo Rueda said.

The Army of National Liberation, a pro-Cuban group, has been the most ambiguous group regarding establishing a dialogue with the government. It said last week that it prefers to seek agreements on how to make the war more humane before working on a pact to end it.

Union Protests Murders, Occupies Ministry
PA2402025689 Paris AFP in Spanish 0130 GMT 24 Feb 89

[Text] Bogota, 23 Feb (AFP)—The Executive Committee of the United Workers Federation, CUT, peacefully seized the Labor Ministry's offices in central Bogota tonight. They declared a hunger strike to protest the murders of two trade union leaders today.

Jorge Eliecer Agudelo, member of the metal trade union of Palmora, Valle Department, in the western part of the country, was found shot to death and his body showed signs of torture. Luis Eduardo Yaya, CUT's Meta Departament president, in the eastern part of the country, was also shot and killed this morning while leaving his home.

Among the 15 people who are occupying the Labor Ministry are National CUT President Jorge Carrillo, a former labor minister; Patriotic Union (UP) Senator Gustavo Osorio; and UP Councilman Omar Niebles.

The protesters are demanding to talk with ministers and high-ranking government officials and are calling for a guarantee of safety for the lives of labor union leaders all over the country, pointing out that, in its 27 months of existence, some 250 CUT members have been murdered and another 1,000 have received death threats.

Even though the situation is fairly calm, police were positioned outside the ministry to divert traffic while several hundred trade unionists shouted their support for CUT's demands.

European Organization Linked to Arms Smuggling
PA2302140189 Hamburg DPA in Spanish 1531 GMT 20 Feb 89

[Text] Bogota, 20 Feb (DPA)—It has been reported in the past few hours that a mysterious European organization called "SAS" is closely linked to the million-dollar contraband shipment of war materiel to Colombia that was stopped in Jamaica at the beginning of the year. The goal of the SAS is supposedly to "sponsor" Latin American rebel movements in obtaining weapons.

It was reported that statements made by David Everleigh, the main person accused in this operation, indicated that the weapons were to be sent to the FARC and that a Colombian legislator was involved in the operation, but his identity was not revealed. Eveleigh was a citizen of Great Britain and is now a naturalized Panamanian.

The statement made to Jamaican officials, as reported by "COLPRENSA" [Colombian Press Agency], called "SAS" a "paramilitary group in Great Britain willing to aid movements that are authentically revolutionary."

Everleigh's statement added that he had contacts with seven Colombians, including a legislator. Everleigh has been deported from Jamaica to Panama.

According to Everleigh, Jacobo Lerner was the key figure in preparing the arms shipment and he deposited $600,000 in the Lloyds Bank of South Hampton when the operation started. The possibility that Jacobo Lerner is a fictitious name has not been rejected by the investigators.

"I do not know if FARC buys weapons and sells them to other groups because I believe there is a new Simon Bolivar agreement," Everleigh added. He responded affirmatively when Jamaican officials asked him if the "Simon Bolivar agreement" was the Simon Bolivar Guerrilla Coordinating Board, an organization that groups all the Colombian armed rebel movements.

The 10-ton million-dollar arms shipment was purchased from the state-owned Portuguese National Defense Industry. This caused friction in relations between Colombia and Portugal because the arms deal was made with forged Colombian Government documents.

Portuguese President Mario Soares held a brief conversation with Colombian President Virgilio Barco Vargas at the inauguration of Venezuelan President Carlos Andres Perez in Caracas. Soares told Vargas that "his government had been tricked."

Everleigh stated that the arms purchaser also wanted expensive helicopter gunships and C-130 planes.

The FARC has repeatedly denied any type of link with the aborted plan and stated that it was a "show" made by persons who do not want a dialogue to be held between the government and rebel groups.